

# The Nation.

December 14, 1985 \$1.25; U.K. 65p

## EDITORIAL

### PHILIPPINE ELECTION

Corazon Aquino's entrance into the race for the Philippine presidency adds to the emotional intensity of the campaign to depose Ferdinand Marcos. The election is no longer merely a contest between habitual rivals in the old-boy network that runs the nation's politics. The third major contender, Salvador Laurel, stands at the center of the establishment as the son of a former president and the younger brother of a murdered presidential hopeful. Aquino's husband, Benigno, was a conventional politician ennobled by exile, assassination and favorable comparison with Marcos's tyranny. His wife comes to the campaign with the useful image of martyred heroism and the added power of a widow's quest for revenge.

Philippine politics have been directed or influenced in some degree by the United States ever since President McKinley took the islands from Spain at the turn of the century. Even after independence was granted, following World War II, successive U.S. administrations have treated the Philippines as a dependency. When the Huk rebellion seemed to threaten U.S. control in the 1950s the C.I.A.'s legendary "nation builder," Edward Lansdale, located a minor populist figure named Ramon Magsaysay and promoted him for the presidency. Soon after, he was killed in a suspicious airplane crash, and his reformist platform was never instituted.

It could be said that Corazon Aquino is next in line to reform the endemically corrupt, violent and inequitable country and thus thwart the more radical solutions projected by the various rebel forces. She offers the Reagan Administration an alternative to Marcos's bankrupt rule. But independent nations are not built on American orders, and if she would replace the Marcos nightmare with a nobler vision, she must fashion it from native needs.

MACARTHUR  
FUND—II  
Jamie  
Kitman

NO FRIENDS  
IN LABOR'S  
COURT  
Stephen F.  
Diamond

OF GUNS AND  
PUBLIC  
TRANSPORT  
David Morse

THE SHAKE-UP  
AT 'BELLES  
LETTRES'  
Frank Page

PLEASURES OF  
TOULOUSE-  
LAUTREC  
Arthur C.  
Danto

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## BEAT THE DEVIL

### I SPY, YOU SPY, WE ALL SPY

ALEXANDER COCKBURN

Given the number of spies who, according to their triumphant captors, have been inflicting immeasurable damage on the United States for the past forty years, it's amazing that the Republic has survived. But it has, which confirms the view, held by all sensible people, that spies are of little or no importance except as catalysts for increased internal controls and coercive measures by the state.

Of the current batch of espionage suspects none has produced more diverting news coverage than Jonathan Jay Pollard, who achieved a feat previously considered by seasoned observers to be impossible—being arrested on charges of spying for Israel. Early news reports said he had been charged with selling codes, which, if true, is at least as serious as anything laid to the Walkers. Amid the subsequent spate of disinformation, the emphasis shifted to the "antiterrorist" content of Pollard's shipments to the Israelis.

Hardly had the handcuffs been slapped on his wrists before U.S. newspaper correspondents in Israel were reporting the "shock" and "consternation" of the Israeli government that such a breach of mutual trust should have been wrought. On November 25, Thomas Friedman told readers of *The New York Times* that "Israeli Cabinet ministers were described by their aides today as 'shocked' and 'dazed' by the allegations of spying and the potential repercussions for American-Israeli relations."

At that time the Israeli government was still advancing the "lone controller" theory, which proposed that Pollard had been recruited and supervised by someone acting independently and

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# LETTERS.

## WOMEN TAKE LIBERTY

Champaign, Ill.

Roberta Brandes Gratz and Eric Fettmann's November 9 article, "The Selling of Miss Liberty," confirmed my worst fears about the Statue of Liberty-Ellis Island Foundation and the restoration and anniversary celebration projects it directs. Even the most casual observer of the hype and glitz accompanying the statue's one hundredth anniversary must have noticed that large corporations (Chrysler, American Airlines, Coca-Cola, Kodak, Time Inc. et al.) are grabbing credit for the restoration effort and greedily exploiting the Liberty image for profit and glory. . . .

Readers who were upset by the article will be pleased to know that there is an organized response to the concerns it raises. A national network of feminist activists, Women Take Liberty in '86, has been established to challenge, among other things, corporate use and abuse of the statue, a publicly owned national symbol. We intend to insure that feminist and progressive values are expressed in connection with the anniversary. After all, the statue is one of the world's most colossal representations of a woman, and it was designed to represent the revolutionary values of liberty and equality. Since the woman holds no weapons, she stands for peace.

Women Take Liberty is carrying out a nationwide campaign of public education to raise the kinds of issues Gratz and Fettmann have so skillfully addressed. On August 3, 1986, we will hold our own celebration at the statue to make clear that Liberty belongs to all of us, that it represents our desire for a just and free society. Our Women Take Liberty call says it all:

Governments and private corporations are planning a ceremony for Liberty's anniversary. Although women have not been banned from the proceedings (as they were from the original unveiling), it is clear that the values of nationalism, militarism, male supremacy, and private enterprise will dominate their event. . . . It is up to women to keep Liberty whole, to protect her as a symbol of a whole and healthy society.

Please join us on August 3, 1986, or make a statement of your own. Do not allow a handful of Fortune 500 corporations to take the statue without a struggle. For more information on Women Take Liberty, write Box 2096, Station A, Champaign, Ill. 61820; or call (217) 352-6110. *Mary Lee Sargent*

## FOUNDATION TAKES UMBRAGE

New York City

If anyone believes that the Statue of Liberty has been subject to a corporate takeover, there is a certain bridge he may want to con-

sider buying. "The Selling of Miss Liberty" is so replete with distortions and misstatements, including a direct quotation from someone who was never interviewed, that even fellow readers who should know better may have been misled. Perhaps authors Roberta Brandes Gratz and Eric Fettmann attempted to emulate Woodward and Bernstein; their viewpoint is worthier of Burke and Hare.

*Henning Nielsen  
The Statue of Liberty-  
Ellis Island Foundation*

## GRATZ AND FETTMANN REPLY

New York City

To use a Watergate phrase, as long as the subject's been brought up, Henning Nielsen's letter is a classic nondenial denial. He has already retracted the letter's only substantive criticism, acknowledging to us that the quotations from the person we didn't interview were taken from a court affidavit, as we indicated in the article. As for the comparison to Burke and Hare, we take it as flattery. After all, they knew where the bodies were buried.

*Roberta Brandes Gratz  
and Eric Fettmann*

## STORMIN' NORMAN IN THE STRETCH

Los Alamitos, Calif.

The prescience of your contributors can be awesome. Norman Birnbaum speculated about the possibility that the defection of K.G.B. officer Vitaly Yurchenko might be "part of a clever plot" ["Through the Looking-Glass War," Oct. 19]. I'd be obliged to know who Birnbaum likes in the third race at Santa Anita. *Everett Gantz*

## 'TRUE HUCK'

Evanston, Ill.

It is astonishing that Professor Leo Marx makes me a veteran combatant in a struggle between two schools of thought on Mark Twain's *Huckleberry Finn* when I have debated no one on that work in print or elsewhere ["Huck at 100," Aug. 31]. My answers to a series of questions from a *New York Times* reporter led Marx, curiously, to include me among those who have "recast their arguments in more strident language" and, also with me in mind, to charge, "Another striking feature of the dispute is the extremity of the antagonists' views." He contends that I have "reaffirmed the received scholarly-critical estimate of Mark Twain's masterwork." I must ask: How can one affirm such an estimate in strident language, and how can such an estimate be extreme? His is an unusual use of adjectives, especially in an article of such modest length, purporting to concern literary criticism.

Marx writes: "Every word, every thought, every perception, emanates from Huck or, in

passages where other characters speak, is reported by him—filtered through his mind." He wonders what black children should be told about Jim's "extreme deference" toward Huck and tells us that Jim asserts his dignity in "one moving episode," when he "angrily denounces Huck for making him the victim of a cruel joke." [Emphasis added.] Marx makes such assertions despite the fact that when Huck is on his way to betray Jim to the slave catchers, Twain has Jim call to him: "Putty soon I'll be a-shout'n for joy, and I'll say it's all on account o' Huck I's a free man; en I couldn't ever been free if it hadn't been for Huck; Huck done it. . . . Dah you goes, de ole true Huck, de on'y white gen'lman dat ever kep' his promise to ole Jim."

Poet and critic Sterling A. Brown has written that Twain portrays Jim "as superstitious but shrewd, kindly, self-sacrificial, but determined to be free, not contented in slavery—all of these are vividly rendered."

*Sterling Stuckey  
Professor of History,  
Northwestern University*

## MARX REPLIES

Cambridge, Mass.

I take Professor Stuckey's point. In the passage to which he refers at the beginning of his letter, I was trying to characterize the polarization of opinion about *Huckleberry Finn* in the current controversy. Stuckey had been quoted as saying of a recently published letter of Mark Twain's that it "couldn't be a clearer, more categorical indictment of racism in American life," and that the novel is "one of the most devastating attacks on racism ever written." It is true that the "stridency" that I noted was confined to the other side, and I apologize for the inaccurate suggestion that Stuckey's comments were equally strident.

They were not, but they were unpromising. He did not then, nor does he now, acknowledge that there is anything problematic about the treatment of race in *Huckleberry Finn*. I would like to know whether he thinks there is any justification for the charge, leveled by many people in recent years, that the racism of the narrator, Huck Finn, comes across to them and to many impressionable young readers as just that. Is there any reason to consider the possibility that Mark Twain's ironic narrative technique does not work for a significant minority of readers—especially the many schoolchildren for whom it is a required text? I wish Stuckey had taken this opportunity to make known his thoughts on these important and tricky questions. *Leo Marx*

*The Nation* welcomes letters—typed, double spaced and no longer than 300 words, please. Letters may be edited for reasons of space.

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# EDITORIALS.

## The Democons

This is a messianic month, and the true believers of the Democratic Party think they've found a savior in Edward Kennedy. Or is it just another rough beast? Teddy has a way of slouching toward the White House every few years, only to be turned back by the ill winds of opportunity or a major miscalculation of politics. There was that awful moment when he bungled a television interview with Roger Mudd. Personal matters, not to put too fine a point on it, always rear their Medusa heads just as Kennedy boomlets begin: the drowning, the divorce, even that old college cheating scandal. People have long memories for the esoterica of Kennedy family history. In the meantime, between campaigns, Kennedy, who has long been a liberal stalwart, appears to be trying to po-

sition himself in the forefront of a winning constituency. No one knows for sure, of course, but right now the hot sector of the electorate looks like the young white middle class.

As luck would have it, that is precisely the place where Ronald Reagan found his majority, so it will be no simple task for a Democrat to capture it. But the party leadership is determined to try. Democratic National Committee chair Paul G. Kirk Jr. told a gathering of state leaders at Disney World last month to emphasize issues that "reflect the shared aspirations of average Americans," which is a polite way of saying it's time to give up on all those other aspirations—for social equity, public justice and progressive reform—that were once reflected in party platforms. The new issues and values, Kirk continued, in case anyone missed the point, are "the unifying common interest themes of family, of work, of education, of fiscal prag-

matism and economic opportunity, of equality and competitiveness, of patriotism and a more secure future."

So it's goodbye to "fairness" and "compassion." The new look will be consonant with the results of public opinion research commissioned by the D.N.C. after the mudslide defeat last year, which showed that voters rejected "fairness" in principle and practice. "They see it as a code word meaning 'giveaway,'" one committee staff member told a reporter. On the other hand, respondents to a poll and participants in forty-odd discussion groups around the country overwhelmingly favored government-subsidized loans for first-time home buyers and aid for college students without requiring a family means test. What is emerging from the research, in all likelihood, is a strategy that will appeal to those few financial interests of the Reagan middle class that Reagan has ignored.

God forbid that false messiahs arise to challenge the Kirk theology, but if they do, the D.N.C. is ready with countermeasures. The Democratic and Republican party chairs recently agreed to take future Presidential debates out of the hands of the League of Women Voters, or any other non-partisan group, and sponsor the media events themselves. The new arrangement will make it easier to exclude third-party candidates (for instance, Jesse Jackson) and to keep the debate within limits convenient to both parties. In effect, they have set up a debate cartel, and both nonmembers and consumers will pay the price.

## Tax (Yawn) Reform

**A**fter huffing and puffing, wheeling and dealing, Representative Dan Rostenkowski and his Ways and Means Committee have produced a tax bill that improves slightly on the outrageous Reagan subsidy for the very rich. It has little else to recommend it. Like Reagan, Rostenkowski cuts individual taxes by about \$130 billion, shifting the burden to business. The gain for individuals could prove illusory, though, because large corporations will pass on their tax increases to consumers by raising prices. Both measures could contribute significantly to reviving an inflation now held in check by high unemployment and a still overvalued dollar.

At least the Ways and Means measure is a trifle fairer to those unfortunate enough to earn less than \$200,000. By raising President Reagan's top bracket of 35 percent to 38 percent, it gives the very rich a tax cut only one-third as large as Reagan's does. Middle-income earners fare much the same in both bills, receiving modest tax decreases. Those earning less than \$20,000 do markedly better under Rostenkowski than Reagan.

Nor is Rostenkowski's plan so hostile to working men and women. Unlike Reagan's, his spares many of their benefits from taxation. It does tax unemployment compensation, however. Apparently both Rostenkowski and Reagan have concluded that the jobless don't vote.

Whatever it does, the Ways and Means bill reforms nothing

and simplifies nothing. Reform would have taxpayers with the same income paying the same amount. But under Rostenkowski, as under Reagan, you are better advised to draw income from real estate, oil or municipal bonds than from a job in a plant or an office. Unless, of course, you have a large expense account for wining, dining and other necessary business expenses. Reagan made a pass at reducing this deductible bonanza; Rostenkowski has batted it down.

Above all, Rostenkowski, like Reagan, deals a body blow to the principle of progressive taxation, the sensible idea that those who are better off should pay more. Both measures squeeze the present fourteen tax brackets—Reagan's to three, Rostenkowski's to four. Both move the country closer to the flat tax, a single bracket insuring that those who sleep under the bridge and those who finance its construction will be taxed at the same rate.

Tax bills can be written to raise revenue to pay for the expenses of government; to promote some social purpose, like housing or the arts and sciences; or for macroeconomic objectives, to stimulate a depressed economy or cool off one that is overheated. Apart from removing about 6 million working poor from the tax rolls, the Reagan and Rostenkowski measures lack a socially redeeming purpose.

If anything, the Senate is likely to strip away some of Rostenkowski's modest improvements and restore Reagan's largesse to the wealthy. It would do better to bury the bill. The combination of a Treasury Department that is the most class-conscious since Andrew Mellon's and a Congress that is blinded by Reagan's popularity ratings will inevitably produce a tax bill that serves only the privileged.

## P.Q., R.I.P.

**I**n its heyday, the Parti Québécois offered a political vision of democratic socialism wedded to insurgent nationalism that was unique on the North American continent. The marriage was never perfect. Leaders, militants and voters came to the P.Q. for their own reasons and with their own priorities, and even the charismatic René Lévesque was unable to integrate them. Most of Anglophone Canada was dead set against independence for Quebec in any form, and the political and corporate counter-offensive was devastating. As soon as the P.Q. won provincial power in 1976, businesses pulled out, people moved away and a subtle strategy of destabilization was put into effect—with considerable U.S. help—to make sure Quebec would not speak long or loudly with a separate voice.

In time, the nationalist sentiment waned, or at least the movement for *souveraineté* slowed. The P.Q. failed to win approval for its independence plans in a referendum, and the issue was downgraded in the face of pressing economic concerns. Quebec is rich in resources, but its development has been strikingly uneven, with a debilitating burden of First and Third World problems: absentee investors, an aging industrial infrastructure, marginally profitable agricul-

ture and an expensive bureaucracy. There were bitter disputes in the party about the proper path around such obstacles, but Lévesque seemed determined to steer to the right, to win the support of provincial, federal and foreign business interests at the expense of socialist experiments. Like François Mitterrand, who is in certain ways his co-lingual counterpart, Lévesque virtually abandoned the principled policies for which he was elected.

Movements away from principle rarely work as well as those headed in the opposite direction. Lévesque held on until last summer—too long, Quebecers thought—and then resigned. Parliamentary elections were held last week, and the P.Q. was deluged by the Liberal Party, reborn after its trouncing nine years ago. Lévesque was nowhere to be found on election day; there were reports that he was in Greece or Egypt, or simply secluded in Montreal.

He might take comfort in two small electoral events. His old rival Robert Bourassa, the Liberal Party leader who was discredited and defeated in 1976, lost his own bid for a parliamentary seat even as his party triumphed. And the New Democratic Party, an Anglophone socialist party that has significant power in several provinces but had been only a marginal force in Quebec elections, did surprisingly well in several progressive ridings. If Lévesque's program is ever to be revived, it could well be in a party alignment that gives more weight to the socialist half of the marriage with Quebec nationalism.

## Labor Independence

**L**ast month's narrow defeat of a House bill to delay plant closings was not just another setback for the American labor movement. It confirmed—if proof was needed—that the unions' political strategy of reliance on friendly Democrats is obsolete.

The House voted 208 to 203 to kill a measure that would have required companies to give ninety days' advance notice of plant closings affecting one hundred or more workers. Given the Democrats' 253-to-182 majority in the House, union leaders and their allies in church, civil rights and women's groups were optimistic that the modest bill would pass. "It's a vote for common courtesy," argued one lobbyist. But business groups headed by the U.S. Chamber of Commerce and the National Association of Manufacturers swayed many of the fifty-four Democrats who voted with the opposition, including putative liberals Patricia Schroeder of Colorado and Les AuCoin of Oregon. Only twenty Republicans voted for the bill.

The vote was a freebie for any House member who wanted to record a pro-labor vote. No one expects the Senate to act on similar legislation in this session, and President Reagan would certainly veto such a bill in the unlikely event that it passed. But against the protests of workers who can expect to be told on Friday afternoon, "Don't come in Monday," the House majority insisted that management's "flexibility" in plant-closing decisions must be guaranteed.

Many local trade unionists acquitted themselves well in hometown lobbying for the bill. The United Electrical Workers joined with the United Automobile Workers, United Steelworkers and local A.F.L.-C.I.O. central labor councils in Pennsylvania to deliver surprising votes in favor of the bill from conservative Republicans Thomas Ridge of Erie and Donald Ritter of Allentown. But in many other parts of the country, unions merely went through the motions of making calls and writing letters. The small band of about two dozen union lobbyists who worked for the bill in Washington was outgunned by an army of business lobbyists.

The House vote is just another example of how the Democratic Party establishment is seeking to shed its pro-labor image. In March the party's chair, Paul G. Kirk Jr., asked the unions not to endorse future Presidential candidates before the primary season begins. Senator Edward Kennedy, gearing up for a 1988 run for the Presidency, embraced the crackpot Gramm-Rudman budget-cutting bill over union objections. Heavy hitters in the Democratic Leadership Council, among them Representative Richard Gephardt of Missouri, Senators Sam Nunn of Georgia and Joseph Biden of Delaware and Governor Bruce Babbitt of Arizona, want to move the party from the center to the right. "We have to quit running on labor's agenda," says one state party chair. "I want to get the hell out of the house of labor."

Indeed, labor would be better off if it were to strike out for new political territory. A move toward independent political action does not necessarily entail organizing a third party or cutting off support for decent liberal Democrats, or liberal Republicans. At this point it should be a philosophical break, underlined perhaps by an amicable labor walkout from the Democratic National Committee. Once the break is made, unions can begin forming coalitions on issues, rather than for Democratic candidates.

Independent political action will mean taking risks. Unionists who challenge corporate dominance of the economy, management control of the workplace and other purported "rights" of capital—articles of faith for the Democratic Party—will be called radicals. So be it. By untying itself from the Democrats and going to the rank and file on such issues, the labor movement can open roads to revival.

LANCE COMPA

*Lance Compa is a union attorney based in Washington.*

### ADDENDUM

In Part I of his three-part series, Jamie Kitman mentioned that the J. Roderick MacArthur Foundation gives money to progressive groups. We should have added that the recipients include The Nation Institute, an independent, tax-exempt foundation associated with this magazine (a grant to its "Justice Watch" project), and the Funding Exchange, which helped fund Kitman's research (two grants to support its human rights work in Central America).

# BEAT THE DEVIL.

(Continued From Front Cover)

now, God willing, dead. Friedman was particularly useful in helping that view along. On November 25 he loyally quoted "Israeli Government officials" as saying that "first indications were that someone in the Israeli intelligence community, acting on his own initiative, might have undertaken a spying operation in contravention of Government policy and never informed the country's political leaders." The next day Friedman was at it again, reporting the rumor that "a present or former Mossad agent was running an independent operation in Washington, without the knowledge of the current Mossad chief or the political leadership." It became increasingly hard to read all this without laughing, since it was simultaneously emerging that the Pollard operation had been run by Rafi Eitan, who had worked for Begin, Shamir and Peres.

Some newspapers took a more detached view than *The Times*. On November 28, the day *The Times* was reporting that U.S. and Israeli officials had agreed to cooperate in the investigation, *The Boston Globe's* lead story, by Michael Sniffen of the Associated Press, reported that "US officials said yesterday that Israel was being uncooperative in the investigation of the Navy counterterrorism analyst." A day later Joe Pichirallo and Don Oberdorfer of *The Washington Post* said that "tensions" between the United States and Israel were rising because the Israeli government had broken its promise of cooperation and withdrawn two diplomats involved in the Pollard operation.

Indeed, Friedman's early reports were sufficiently craven to cause Curtis Wilkie of *The Boston Globe* to report sourly from Jerusalem on December: "The [Israeli] government has not . . . objected so far to a story that appeared Friday in *The New York Times*, which has historically been Israel's chief conduit for news for American consumption. The piece, written by Thomas Friedman, . . . and carefully attributed to a 'highly placed' source in the Israeli government, serves as an unofficial but authoritative Israeli explanation of recent events." So dog-in-the-mangerish a description of *The Times's* role in U.S.-Israeli relations is extremely rare, at least in public. Perhaps chastened by this and by a cynical *Times* editorial on November 30 about Israel's excuses, Friedman somewhat stiffened up his subsequent coverage.

The Pollard business is very strange. Why, after years of tolerant restraint, would the U.S. government arrest someone spying for the Israelis? Maybe because Pollard was allegedly taking secrets from the U.S. Navy, an institution with a memory long enough to stretch back to the U.S.S. *Liberty*, the spy ship attacked by Israeli fighter planes during the Six Day War, with the loss of thirty-four lives.

The consternation of Israeli officials, and of many U.S. commentators, is puzzling in view of several quite widely discussed episodes. Without Israeli government-sponsored spying, how may we suppose that nuclear material was smuggled out of the NUMEC plant in Apollo, Pennsylvania, in 1965 and transported to Israel to assist in the country's manufac-

ture of nuclear weapons? Among the documents removed by Iranian students from the U.S. Embassy in Teheran and later discussed in the U.S. press was a March 1979 C.I.A. internal report headed "Israel: Foreign Intelligence and Security Services." Among the items in this interesting document are the following:

In one instance Shin Beth [the Israeli internal security agency] tried to penetrate the US Consulate General in Jerusalem through a clerical employee who was having an affair with a Jerusalem girl. They rigged a fake abortion case against the employee in an unsuccessful effort to recruit him. Before this attempt at blackmail, they had tried to get the Israeli girl to elicit information from her boyfriend.

Two other important targets in Israel are the US Embassy in Tel Aviv and the United Nations Truce Supervision Organization (UNTSO) with headquarters in Jerusalem. There have been two or three crude efforts to recruit Marine guards for monetary reward. In the cases involving UNTSO personnel, the operations involved intimidation and blackmail.

In 1954, a hidden microphone planted by the Israelis was discovered in the Office of the US Ambassador in Tel Aviv. In 1956, telephone taps were found connected to two telephones in the residence of the US military attaché. In 1960, a microphone was discovered behind the wall plaster in what had been the office of the Operations Officer of the Jordan-Israel Mixed Armistice Commission Office.

Another way of allaying any sense of shock over the Pollard affair would be to study Michael Saba's book *The Armageddon Network*, published in 1984 by Amana Books and not widely reviewed in the American press. Saba was the man who, while sitting in a Washington coffee shop, overheard Steven Bryen, at that time working for the Senate Foreign Relations Committee, discussing classified U.S. information with Israeli officials [see Kai Bird and Max Holland, "Dispatches," June 22]. Nothing happened to Bryen, who had powerful protectors, despite an internal Justice Department memorandum calling for a grand jury investigation. Bryen now works for Richard Perle, Assistant Secretary of Defense for International Security Policy, in which role he supervises the transfer, or nontransfer, of technical information. Perle, through whose interested fingers an avalanche of classified information has passed over the years (often into the column of Rowland Evans and Robert Novak), was reported by Jeff Gerth in *The New York Times* of April 17, 1983, to have been lobbying on behalf of Israeli arms manufacturers while a senior official in the Defense Department.

There is, in short, nothing surprising about Pollard spying for the Israelis. The only odd aspect of the affair is that someone wanted to arrest him. We may safely assume that after its manly apology the Israeli government, realizing that Pollard and his wife, Anne, still have to go on trial, will follow William Safire's advice and appoint a commission to mount a no-holds-barred investigation, which will be praised in the U.S. press for its self-lacerating honesty, after which time it will be business as usual.

## ALEXANDER COCKBURN

**Down-the-Gangplank Liberals**

Bill Moyers, once a liberal icon, now sounds like George Will. Consider his commentaries from Geneva, which should have permitted him to go athwart the consensus of the assembled U.S. press corps. On November 18, by way of a quotation from de Tocqueville, he contrasted Mikhail Gorbachev, "the true collective man," with the "small-town personalism of Dixon, Illinois, burnished by the Hollywood image of the individual unbridled in making his own way to a happy ending," by which we may assume he meant Ronald Reagan. Moyers had proceeded to Geneva via the Berlin wall, from where he courageously reported on November 15 that "a system that came to power by conspiracy and intrigue and stays in power by repression cannot feel secure about itself." Not for Moyers the notion that the Soviet Union ("A military giant . . . but . . . a paranoid economic cripple") might feel insecure for reasons connected with the present nuclear capacity and future nuclear intentions of the United States and of the small-town personalist who leads it.

At no point did Moyers bother himself with the subject of the summit—arms control—or with what the two sides were proposing. Instead, in his commentary of November 19, he exhibited further intellectual originality by remarking, "If Mr. Gorbachev strives as efficiently for disarmament as he did for agriculture, the Soviet Union will simply sink out of sight under the weight of missiles, guns and tanks, and this summit will have been unnecessary."

Once upon a time, Moyers had a few guts back of his belt buckle. Not anymore. Would he have dared to say from Geneva, "If Mr. Reagan strives as efficiently for disarmament as he has for balancing the budget, the United States will simply sink out of sight under the weight of missiles, guns and tanks and this summit will have been unnecessary"? Would you, Bill?

**The Private Use of Public Space**

The architect I.M. Pei supplied his usual grin in a photograph accompanying a respectful article in the November 24 *New York Times Magazine* about a pyramid he designed now being erected in a courtyard of the Louvre. What is the point of this ridiculous structure? Pei told *The Times*: "You need to be welcomed by some kind of great space. . . . That space must have volume and it must have light and it must have a surface identification. You have to be able to look at it and say, 'Ah, this is the entrance.'"

As far as I know, visitors down the years have not been experiencing enormous difficulty in discovering the entrance to the Louvre. What Pei really meant was that in our unfolding *fin de siècle*, public institutions need an area with "volume" and "surface identification" where rich people can assemble for cocktail parties, banquets and kindred functions, to which the word "charity" is attached to satisfy bodies such as the I.R.S. Consider Pei's last essay in triangular form, the East Building of the National Gallery in Washington, which was completed in 1978. The museum's

pictures are secreted in tiny closets. Voluminous space is given over to an immense area whose sole function is to contain the fetes and galas mentioned above. In the same spirit Mies van der Rohe's 1929 Barcelona Pavilion is now being restored solely for cocktail parties and allied festivities.

The main purpose of the Metropolitan Museum in New York these days is to supply its various courts and arbors for black-tie affairs. At the New York Public Library we find the same dismal story. It is entirely impossible to obtain any book in this repository of the printed word, under the excuse that the stacks are under reconstruction. The truth is that the library now exists solely to defend itself, rather like an aircraft carrier. Month after month it hosts splendiferous charitable functions, faithfully reported in *The New York Times*, in which "Friends of the Library" prattle and prance in their finery, inviting the admiration of all at their munificence in preventing this noble institution from crumbling into dust. The way things are going, the library will soon be closed permanently to the public, the better to permit fashionable charitable affairs to be held on its premises. And people will regard it as natural, even good, that such a public institution should survive only as an appendage to the social columns of *The Times*. Let the regular patrons of these parties at the library go to Washington and chain themselves to the benches of the Senate Finance Committee's chamber, demanding that these places receive adequate government funding. Then it may become possible for the library's staff to get a book out of the stacks, which I assume are now blocked by cases of empty champagne bottles.

**As the World Turns**

"Holly Coors, whose refrigerator door is laden with religious messages, says the most important things in life are faith, family, and freedom. 'When I say freedom, I mean free enterprise,' she says. 'That's what makes it possible to have opportunities.'" These elevated sentiments were volunteered by the wife of Joseph Coors, noted funder of far-right causes, to the *Denver Post Magazine* for October 20. She may run for the Colorado governorship.

Holly Coors, who seems to share her husband's Cro-Magnon views, conducts a busy life and "credits her two housekeepers, each of whom has been with the family for over thirty years, and company gardeners who tend to the famous Coors rose garden and expansive grounds, with helping to make it all possible."

Footnote: It may have seemed more natural to credit Mr. and Mrs. Coors with "Neanderthal" views. But the Neanderthals were peace-loving feminists, gentle herbivores who spent their days painting in caves and their nights in frolicking and love. The trouble is that they were hideously ugly and therefore foolishly enamored of the good-looking Cro-Magnons, a bunch of ignorant, bellicose phalocrats. They intermixed and soon the days were given over to war and the nights to expensive Cro-Magnon banquets to "save the caves," on whose walls the paintings speedily decayed amid the toxic fumes from the charitable revelry.

# CAPITOL LETTER.

KAI BIRD AND MAX HOLLAND

## ■ The Les Aspin Watch

If liberal Democrats' greatest fear these days is of a Republican victory in 1986, their biggest disappointment is over the performance of House Armed Services Committee chair Les Aspin, whom they helped elect to the post last January. Now they're muttering epithets, and the following vignette shows why.

In June the House adopted an amendment to the defense authorization bill that members hoped would put a brake on the revolving door through which retired military procurement officers pass on their way to cushy jobs with defense contractors. Sponsors of the Bennett-Boxer amendment wanted to change the system that allowed the four Army officers who were responsible for testing and approving the infamous Divad air defense gun, one of the costliest lemons in Pentagon annals, subsequently to take jobs with the contractors who built the weapon. The amendment barred civilian and military officers with "significant responsibility" for a defense contract from going to work for any firm involved in that contract for a period of two years after leaving the government.

When Aspin's aide Russ Murray heard that the bill had passed by a lopsided vote of 397 to 19 he remarked to a Capitol Hill staff member, "We'll kill this in conference." His boss proceeded to do just that. At a House-Senate conference committee meeting on July 25, Aspin gave a *pro forma* speech explaining why the Senators should accept the amendment. Minutes later, during a break, he strode over to Carl Levin and Dan Quayle, the two Senators who led the fight against the measure, and said: "You have to hang tough on this one. We have to be able to go back to the House and say that we tried but ran into a stone wall."

Sure enough, the amendment that emerged from the committee was so watered down that the sponsors of the original measure barely recognized it. A number of them, including Representatives Charles Bennett, Barbara Boxer and Barney Frank, held a stormy protest meeting with Aspin and Speaker Tip O'Neill. In what can only be considered a slap at Aspin's leadership, the Speaker announced he would reattach the revolving-door amendment to the defense appropriations bill. That means House and Senate conferees will bump heads on the issue again later this month. The outcome is uncertain, but Aspin is sure to work against passage of Bennett-Boxer.

According to Murray, "Potential employers will look at the criminal penalties and say, 'I can't afford to hire anyone who has worked for the Pentagon.'" That will make it "intractably difficult for the Pentagon to recruit effective managers." Murray, who served as Assistant Secretary of Defense in the Carter Administration, says his boss does not oppose procurement reform *per se*, just this version of it. Murray suggests an alternative approach, which he admits is an idea whose time has not come: bar Pentagon officials from working for any defense contractor for two years after leaving government employ. During that cooling-off period, however, they would draw their full salary.

Paying Pentagon officials not to work for two years is hardly the answer. Murray may have a point, though, in saying that it's difficult to outlaw the revolving door, which has become central to the careers of Washington civil servants. So why not tackle the real problem, which is the lousy job those majors and colonels do while they are at the Pentagon? Absent a radical overhaul of the procurement system, which now promotes officers who bring in their programs over budget, the Pentagon will continue to be the government's biggest boondoggle.

## ■ Foreign Cop Aid

In the wake of the June 19 killing of four U.S. Marine embassy guards in San Salvador, Congress voted to exempt Honduras and El Salvador from a 1974 law banning U.S. aid to foreign police forces. In September President Reagan requested that Congress appropriate \$54 million for training Central American police forces in "counterterrorism." Although House liberals are trying to muster the votes necessary to kill the aid package, Reagan may succeed in resurrecting the notorious Public Safety Program, under which millions of dollars were spent on training thousands of foreign police officers, many of whom were subsequently implicated in torture and death squad activities.

In testimony against the bill last month, Representative George Miller found a graphic way to warn his colleagues about the dangers of funding foreign cops. Miller cited a May 19, 1970, Airgram to the State Department from the U.S. Embassy in Guatemala, obtained by his aide Cynthia Aronson under the Freedom of Information Act. The secret cable reported on the torture and assassination activities of a Guatemalan death squad made up of government security personnel. Scrawled at the top of the first page was this note from an unnamed Foreign Service officer: "Jack—This is what we were afraid of with increased public safety support."

## ■ The Profits of Spying

Intelligence is reputed to be the fastest-growing item in the Federal budget. The final version of the fiscal 1986 intelligence bill authorizes a total of at least \$10 billion for the spy agencies. Aside from the high price tag, the bill contains a dubious provision that, on a twelve-month experimental basis, lets the Pentagon spend any profits earned by counterintelligence front operations. Previously, all the money taken in by dummy businesses set up to provide cover for U.S. agents, entrap foreign spies and the like had to be turned over to the Treasury Department. The measure will allow Army counterintelligence to do what the C.I.A. and the F.B.I. have been doing for decades, namely, run covert operations with funds that have not been subjected to Congressional scrutiny. Why the Senate is permitting this practice at a time when the Army is investigating the possible embezzlement of \$150 million from counterintelligence operations is a mystery. Members of the Senate Intelligence Committee refuse to say who initiated the measure.

# ARTICLES.

## ■ MACARTHUR FOUNDATION—II

# Selling Off the Family Business

JAMIE KITMAN

**D**eluxe compensation and appointments have long been the rule for the personnel of America's largest foundations. Yet, as chronicled in these pages last week, directors of the \$2 billion John D. and Catherine T. MacArthur Foundation have broken the mold by paying themselves unprecedented fees, apparently with the full approval of the Federal and Illinois governments. It is ironic that even less of the minimal circumspection once demanded of charitable trustees has been required of the MacArthur board at a time when the Reagan Administration has pledged to shift the burden for many of the social and cultural programs it has cut to private philanthropies. It is also disheartening that as interpreted by the foundation board, the Federal tax code, which allows wealthy individuals to avoid estate taxes by creating charitable trusts, was further skewed in favor of the very few.

Unfortunately for the charitable interests that the MacArthur directors were pledged to serve, the dissipation of foundation assets did not end with payment of excessive fees. When the lieutenants of John MacArthur's financial empire were given operating control of the foundation's chief asset—his company, Bankers Life and Casualty—they enjoyed a freedom never permitted during the old man's lifetime. When their duty as foundation directors was to ready the company for sale, as Bankers Life directors they were slowly killing it.

It needn't have happened that way. A report outlining a plan for divestiture was commissioned by the foundation and prepared by investment consultants Warburg, Paribus, Becker. Delivered in May 1979, the report specifically recommended that the firm avoid new long-term commitments, that it beef up its short-term profits and maintain its satisfyingly predictable earnings, so as to enable potential investors to project an earnings stream years into the future. Such measures, the consultants advised the board, were necessary to insure that Bankers Life was at its most attractive to potential buyers.

On May 18, 1979, the foundation board (which, as described last week, had appointed five of its members—William Kirby, Robert Ewing, Gaylord Freeman, John Corbally and Paul Doolen—to the Bankers Life board) adopted

the report's recommendations as policy. Yet the Bankers Life board acted in swift and disastrous contravention of them. Rather than consolidating the company's insurance operations, it embarked on a major expansion program, offering a half-dozen new lines of insurance. Instead of controlling costs, it doubled the aggregate salaries of its top ten officers, tripling the salary of president Ewing and awarding former officer Doolen a \$200,000 bonus.

The upward salary adjustments, like Ewing's, were perhaps to be expected. Although he belonged to some of Chicago's most exclusive clubs, the Bankers Life president was not the idle patrician typically found roosting on foundation boards. Thanks to MacArthur's parsimony, the company brass drew salaries at the low end of the bloated scale for corporate officers. No doubt, as they scanned Bankers Life in its enormity, they were most impressed by the need to right unjust salaries. As foundation president Corbally says today, "The simple fact is that John MacArthur ran a very cheap outfit."

## Boutique Insurance

The decision to offer new lines of insurance was the strange one. The company's strong suit had always been its accident and health policies, aimed at low-income people, who paid low premiums and received low payouts. Indeed, for years John MacArthur had steadfastly refused to allow his company to venture into sexier, but riskier, areas of underwriting. "If I want to impress someone, I'll show them my balance sheet," he once said. But the upscale lines offered by other carriers to their more prestigious clientele appealed to the wide-eyed Bankers Life hierarchy, who resented their company's image in the industry. After years of deference to the old man, they were ready to go for it.

In theory, many of the new lines—which included product, automobile and casualty insurance, so-called legal services insurance, liability and medical insurance—might have become profitable. But they would start paying off only over the long term, perhaps ten years after their inception, and, so, far too late to affect the sale of the company. Besides, several of them were unmitigated disasters, generating significant short-term losses. After three decades of steady growth, Bankers Life was losing clients and income. According to company records, between December 31, 1978, and December 31, 1982, net income dropped 16.4 percent, while return on assets fell 32.1 percent. By 1983, Bankers Life was in the red. At that point, according to one expert's estimate, it had lost as much as \$200 million in value.

As the foundation's finance committee, Kirby, Corbally, Freeman and Edward Levi were required to keep the other foundation directors apprised of the company's progress. Because they didn't and because the others failed to inform themselves, few of the outside directors (those with no immediate link to Bankers Life) appreciated the dangers of the company's new course. That was a serious matter at a time when the company was supposedly being readied for sale to comply with an Internal Revenue Service requirement that

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foundations divest themselves of at least 80 percent of their active business holdings within five years of acquiring them. With the report of an operating loss, the outside directors were stirred to action. At the board's request, the foundation's in-house actuarial firm, Milliman & Robertson, prepared an analysis of the Bankers Life operation. Its stunning conclusions were delivered on June 1, 1983. Among them:

The following unacceptable conditions exist:

1. Funds being expended for gains to be possibly realized over the exceptionally long-term, as well as funds directed to development of peripheral and auxiliary operations, are wasted funds which the Foundation will never recover.
2. Management's strategy and actions are in most situations in conflict with the single objective of the Foundation which is to obtain maximum value for its assets.

A second revelation, equally devastating, was contained in a written report given to the foundation board by Warburg, Paribus, Becker two days later. Stating that the Bankers Life management had "materially revised the way it markets insurance" so as to create "significant risks as to future values," the document disclosed that of seven firms that decided against bidding for the Bankers Life insurance operation, five had notified the company's board that the new lines of business had been a factor in their decision. A majority of those firms added that the new lines were so speculative as to render the company's historical profitability irrelevant to their consideration.

The wasting of Bankers Life was serious news, to be sure. But what made the Warburg report so alarming was that it revealed for the first time that the changes in business practices were scaring away purchasers; the company's board had always blamed a depressed market.

If the finance committee did a poor job of preparing Bankers Life for sale, it did a truly lousy one of selling it. For at least three years of the five-year divestiture period, the dual directors insisted that the company's insurance and real estate holdings had to be sold together. Although not required by law (land is considered a passive asset and thus is not subject to the I.R.S. divestiture requirement), the posture worked to limit the prospective pool of purchasers to only those companies with an interest in both land and insurance, and the \$1 billion-plus price of admission. It also failed to explore or exploit any premium that a particularly attractive property or insurance line might realize if sold separately. The committee was so wedded to an all-or-nothing approach that at the board meeting of October 14, 1982, with more than four years of the grace period gone by, Gaylord Freeman confessed that the committee had no idea what each of Bankers Life's subsidiaries was worth.

Assuming the committee was correct in its assessment that the market was depressed, it is difficult to justify its allegiance to a lock, stock and barrel sale. Hard times would seem to demand flexible marketing and financing, not rigidity. But, at that moment, the committee wasn't in any hurry. Unperturbed as 1983 rolled in, with a mere ten months standing between the foundation and a \$75 million excise tax and the loss of its tax-exempt status, it had a pretty good card up its sleeve: the United States Congress. Efforts

were already under way in Washington to obtain an exemption from the five-year divestiture deadline.

### Rod MacArthur's Threat

On June 28, 1983, five months before the time limit ran out and a full year before the exemption became law, Rod MacArthur wrote a letter to the foundation board. Reciting the well-known conflict-of-interest issues and the latest bombshells about the inept management and diminished sale prospects of Bankers Life, he sought to mobilize disinterested board members' support for three demands: the resignation of the five dual directors, a \$24,000 annual fee ceiling and the hiring of outside directors and new consultants to put the company's sale back on track. If the board did not adopt the reforms, MacArthur announced, he would sue.

MacArthur's letter had some impact. Two directors, perhaps in anticipation of litigation, wrote letters that spelled out their positions for the record. Jerome Wiesner's missive of July 8 reminded the directors:

As you are aware from my letter of last spring, from a number of discussions at board meetings, and with many of you individually, I have been very troubled about the divestiture process. . . .

I also believe that [Bankers Life president] Bob Ewing should resign from the board. When in the past I have raised my concern about his potential conflict of interest, the response has always been that it was to the advantage of the MacArthur Foundation to have Bankers Life management represented on the foundation board.

Newscaster Paul Harvey wrote Corbally on July 1. The letter captures his inimitable style:

Good Morning, Jack . . .

I have not always shared Rod MacArthur's anxieties about the administration of the Foundation and our properties. However, his June 28 letter has opened my eyes to a perspective which demands our attention.

I must confess to a degree of myopia, narrowly and naively trusting everybody's good intentions. But if even a portion of Rod's indictment concerning potential conflicts of interest is valid, we, the Board, have something serious to worry about.

Some of us have been construing Rod's persistent protestations as unworthy, yet when I recognize how much some board members have to profit from delaying divestiture, however unintentionally, I can see how very ugly this could be made to appear.

And those of us who have received the least compensation are still going to get spattered if someday the malt hits the fan in a court of law or in the less merciful court of public opinion. . . . [At an estimated \$25,000 a year, Harvey was the lowest-paid director.]

The board voted on MacArthur's proposals on July 14. Wiesner did not attend, on doctor's orders. Despite Harvey's apparent misgivings, he joined the board in voting to reject the reforms. Rod MacArthur was the sole dissenter.

MacArthur's earlier threat of a suit, in 1979, had proved to be only mildly persuasive, resulting in the appointment of seven surprisingly useless watchdogs. In 1983 it became cause for alarm. News had arrived that Congress might not

pass exempting legislation in time. Retroactive legislation would work in a pinch but might stir up unfavorable publicity, a prospect many of the directors found distasteful. And no one wanted the poking and probing that a MacArthur lawsuit would entail. The finance committee's members had had their feedbag tied on so long that they would never be able to deny it. The outside directors had grown a bit broad in the beam themselves. Aware now of the calamitous state of affairs at Bankers Life, they realized they had no serious defense against the charge that they'd been lax in carrying out their legally mandated oversight responsibilities. A new, larger community of interest had unfolded, out of which a consensus emerged: Sell, sell, sell.

If they'd thought about it, the outside directors might have come up with a better plan. But mellow reflection was not the order of the day. Gripped in a selling frenzy, the foundation permitted the omnipresent Chicago businessmen—Ewing, Kirby, Corbally and Freeman—to negotiate the sale arrangements, despite their pitiful track record. They would be assisted by Warburg, Paribus, Becker and investment bankers Lazard Frères. In a 180-degree turnaround, the dual directors set about their task with major-league gusto. Unfortunately they made minor-league negotiators.

Still insisting that the foundation had to sell all of the property at once, and under a looming November 30 I.R.S. divestiture deadline, the finance committee entered the market with its worst foot forward. Knowing of the foundation's desperate desire to sell, potential buyers could easily dictate oppressive terms. Obviously, each dollar of the company's fair market value not claimed in the sale would be money that could not be given away for charitable purposes. But judging by the conduct of the board in the summer of 1983, that was not a matter for rumination.

### Buyer's Market

After years of alleged difficulty in attracting sale prospects, the finance committee took only a short time to locate a purchaser. Considering the terms the committee accepted,

it is an open question whether objective criteria were brought to bear at all. On July 27, 1983, over MacArthur's lone objection, the board entered into an exclusive negotiating agreement with the First Winthrop Corporation, a newly formed venture capital group, for the sale of Bankers Life and large portions of its New York City real estate holdings. These included nineteen Manhattan office buildings, among them the Gulf & Western tower.

As dimwitted marketing gambits go, negotiating exclusively with one interested company is pretty impressive. By definition it restricts the number and quality of offers an anxious seller will receive because it prevents him from dealing with other parties, who might drive up the sale price. And so it was. First Winthrop capitalized on the foundation's vulnerability, offering a comparatively trifling \$700 million. That was bad enough. But it was in its particulars that the Winthrop tender really smelled. In its final form the Winthrop offer was a highly leveraged buyout, providing only \$44 million in cash, an amount the foundation, already strapped for liquid assets, could ill afford to accept. A large portion of the remainder was to be paid to the foundation under a twenty-year subordinated note by a newly formed shell corporation whose only asset would be Bankers Life. If Bankers Life didn't generate enough cash—and it had to earn record profits to do so—the shell couldn't make its payments to the foundation. In that event, under certain circumstances, the foundation could be forced to lend Winthrop up to \$88 million from its charitable funds. And, incredibly, the agreement permitted Winthrop to back out of the deal up to six months after its completion and return the company to the foundation. It was a fire sale.

Nevertheless, in a report to the foundation board on September 6, the finance committee vigorously defended the exclusivity agreement and proposed to extend it through October 13, six weeks before the divestiture deadline. Imagine, then, the outside directors' surprise when, on September 8, they learned that on August 2 the Belzberg family, the Canadian owners of the First City Capital Corporation, had offered to pay \$730 million in cash for the same properties.



DRAWINGS BY J.C. SOARES

# Where Does All The Money Go?

"This is not a rubber-stamp board," James Furman, executive vice president and head of the MacArthur Foundation's professional staff, explained in a recent interview. It is a point made often around the foundation, offered sometimes in defense of the directors' hefty fees and other times—as Furman intended here—as a statement of institutional philosophy. Where one argument ends and the other begins is not so clear.

By its directors' design, the \$2 billion MacArthur Foundation employs a skeleton staff of fifty, compared with more than 300 at the somewhat larger Ford Foundation. Free from bureaucracy, the board argues, it can provide innovative grants and programs. By virtue of its members' varied expertise, the board is well situated to address weighty issues "on the margin"—that is, to spark projects of lasting impact rather than to support professional grant-seekers or underwrite the ongoing costs of established charities. This system, the directors say, allows the MacArthur Foundation more flexibility than bureaucratic "staff-run" foundations enjoy. It can spend money in ways that, when successful, will have ripple effects.

Furman does his best to talk up the results: "It's overwhelming sometimes the intellectual power that's brought to bear on subjects by this board."

Nevertheless, it's a little disconcerting to learn of the charitable enterprises the foundation has favored. Many grants have been unimaginative, for example those to the American Bar Association, which received \$1.6 million from 1980 to 1982, as well as others to the American Medical Association, the United Way and the American Red Cross. Other grants have been creative but misguided. A \$525,000 award to the Chicago Police Department for bulletproof vests comes to mind.

Lately the board has begun to set systematic goals for itself, establishing multimillion-dollar core programs in the areas of mental health, international security and medicine. Unquestionably the foundation supports many worthwhile scientific and cultural activities. Yet it also appears to have frequently merged its philanthropic mission with the personal interests of its board members. Without necessarily faulting the results, it is worth noting some examples of this. It paid \$17 million for the renovation of Chicago's historic Marquette Building, which houses the foundation's offices. Nancy Ewing, wife of Bob Ewing and assistant secretary to the foundation, is on the board of the Lyric Opera of Chicago and its Center for American Artists. In 1980 those institutions were awarded a total of \$25,000; in 1981, \$50,000. In 1983 they were given \$75,000, and in 1984, \$150,000. Her husband is af-

filiated with the city's Better Boys Foundation. In 1980 the MacArthur Foundation gave \$100,000 to Better Boys. Gaylord Freeman served on the board of the Aspen Institute for Humanistic Studies, which, among other things, arranges weeklong consciousness-raising seminars for corporate executives. In 1980 the foundation awarded it a substantial \$430,000.

The Chicago directors weren't the only ones who engaged in such strategic charitable giving. In 1980, William Simon, an outside director and then head of the U.S. Olympic Committee, secured \$100,000 from the foundation for the already lavishly supported American team. In 1981 the Salk Institute for Biological Studies of La Jolla, California, received \$109,100. In 1984 the foundation announced its \$20 million program to conquer parasitic diseases, overseen by the health committee, which director Jonas Salk, a parasitologist, chairs. Even Rod MacArthur, who would later complain of the board's casual approach to grant giving and its conflicts of interest, persuaded his co-directors to rescue *Harper's* (with the help of the Atlantic Richfield Foundation) in 1980. Three years later, his son, 27-year-old John R. (Rick) MacArthur, was installed as publisher.

Foundation director Edward Levi was chair of the board of trustees of the National Humanities Center in 1982, when it received \$400,000 from the foundation to support the costs of a two-year seminar called Business and Human Excellence: The Links Between Commerce and Culture. Between 1980 and 1982, the Rand Corporation was awarded grants totaling \$700,000. It received a grant for \$1 million in 1984, the year Shirley Hufstедler, former U.S. Secretary of Education and a member of the board of overseers of Rand's Institute for Civil Justice, joined the MacArthur board.

In 1981 the foundation chose nine research universities to receive \$1.2 million to establish John D. MacArthur chairs. Among them were the California Institute of Technology, where Murray Gell-Mann is a faculty member; the University of Chicago, where Levi had been president; the University of Illinois, where John Corbally had been president; and the Massachusetts Institute of Technology, where Jerome Wiesner had been president.

In 1984 the foundation launched a \$25 million, three-year International Security Program at the urging of Wiesner. Among the first recipients was the American Academy of Arts and Sciences, whose members at the time included Wiesner, Levi and Gell-Mann. All told, in 1983 and 1984 the academy received \$967,310 from the foundation.

There is, of course, no law against what Furman calls multiple associations. In fact, he suggests, they are inevitable:

These people come to the board by the weight of their reputations, and by that very weight they're involved in all of these activities. I don't know how you dissociate

yourself from that, except to say that we do have a conflict-of-interest requirement; every board member fills that out. So that when an organization [with which a director is affiliated] comes up for funding—which they do because there is no way we could exist given all these associations—the board member won't vote on it. That's not to say either, naively, that there won't be times that the weight of that association won't be a factor. The mere fact that an individual [declares an affiliation] is almost a signal.

According to Furman, the program that gets 99 percent of the foundation's publicity accounts for less than 10 percent of its annual charitable budget. The MacArthur Fellows awards, the so-called genius grants, free several dozen people each year from the mundane economic concerns that prevent others from pursuing their talents to the fullest. One hundred and fifty anonymous nominators throughout the country recommend deserving individuals for these grants, and the board chooses from among those names.

The program has been criticized over the years for its election of well-known talents, such as Merce Cunningham, Robert Penn Warren, Ada Louise Huxtable, Stephen Jay Gould and John Ashbery. Furman admitted that "there have been times that probably we should have tried harder to find unknowns who could have received the grants]. The problem of not being swept in by the brilliance and success of an established individual is a very tough one." Nor has the program helped enough women and minority "geniuses." The inability to remedy that situation, Furman said, "has been very frustrating." The foundation appointed more women nominators, but that has made no difference. "The women, in many respects, are more a part of the good-old-boy network than the men are. More likely than not, they'll nominate men." Furman said the board has had similar problems trying to increase the number of recipients outside the Northeast and the West: "The people from the Midwest nominate people from the Northeast corridor."

Furman categorically rejected the suggestion that the underrepresentation of minorities among grant recipients has any relation to the composition of the board, which until 1984 was exclusively white and male. "I don't know how you characterize boards, but this one has a strong liberal element to it." Liberal or not, it remains entirely white, and although Furman said "the board is sensitive to the fact that there has to be change," Paul Harvey reportedly objected strenuously at a board meeting in 1983 when it was suggested that a black woman be appointed to the board. But then if John MacArthur had been here, he probably would have taken issue with the proposed appointment as well. Asked shortly before his death about political developments in Palm Beach, where he lived for many years, MacArthur said, "The next thing you know there will be a nigger police chief here."

J.K.

On August 4, the bid had been increased to \$760 million. One month later, angered by the committee's unwillingness to deal, First City had withdrawn its offer. Curiously, the finance committee's report had omitted mention of the First City proposition.

The Belzbergs weren't the only prospective purchasers turned away without the outside directors' knowledge. According to a story in the January 30, 1984, issue of *Barron's*, Shearson/American Express vice president Ron Hiram wrote the finance committee in August 1983, imploring it to accept additional bids for Bankers Life after the exclusivity period ended. Hiram assured the committee that Shearson planned to make "a very competitive bid that would more than justify the costs of postponing the transaction" with First Winthrop. A month later, referring to the exclusivity agreement, Kirby replied, "You can receive data and you can make a bid." But, he added, the insurance company and the real estate "cannot be the subject of negotiations." Puzzled, Shearson withdrew.

Also unrevealed by the finance committee was a clause in the golden parachute that the Bankers Life board had given Ewing. By conditioning the severance payment to Ewing on his concluding the sale before December 1983, it had created a new conflict of interest for him: a special incentive, worth more than \$750,000, to tie up a deal quickly, no matter how shoddy it was.

The golden parachute helped explain the bee in Ewing's bonnet. He and the other dual directors were so enthusiastic about the Winthrop offer that they filed for approval with insurance regulators in California, Texas, Illinois and New York before they put it up to a vote of the full board. But the other members of the foundation board also viewed the Winthrop deal favorably. It was an express ticket out of the legal and ethical quagmire in which four years of stupendous inattention had placed them. The directors wanted a sale so badly that they were prepared to overlook their obligation to the public once again and accept an extremely poor offer, potentially hundreds of millions of dollars less than the one from Belzberg. (Warburg, Paribus, Becker, meanwhile, had its own conflict of interest. Because its contract with the foundation expired on December 1, 1983, it could be assured of receiving its commission only by concluding a deal before that date.)

### The 'Fairness' Bombshell

On September 27, 1983, when the board voted 10 to 1 to sign a letter of intent with Winthrop, MacArthur was left to make good his threat of a suit. He hired lawyers to begin preparing his case. In the meantime, he had one hope. In July, he had persuaded the board to send the Winthrop offer to an outside investment firm for an evaluation of its "fairness." Such inquiries are customary in transactions of this magnitude, so the board apparently believed it had little to fear. The firm of Morgan Stanley was retained to conduct the analysis.

A fairness report is issued as long as an offer is found to be within the range of fair and reasonable possibilities. There is no legal requirement that the offer be the best one

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possible, or even a good one. As a rule, offers rarely fail to proceed because a fairness opinion cannot be obtained. It spoke volumes for the quality of the Winthrop offer, therefore, when on November 21, 1983, ten days before the divestiture deadline, Morgan Stanley refused to give a fairness opinion. As grounds for its decision it cited the uncertain value of the subordinated note and Winthrop's option to cancel up to six months after the sale. Unless the directors wanted to hand MacArthur ammunition for a suit against them for dereliction of their fiduciary duties, the deal couldn't go through. Summing up the sour mood around the foundation, one director, Jonas Salk, raged at Morgan Stanley before the board, suggesting they proceed in spite of the investment bankers' refusal.

One might have expected the finance committee to resign in disgrace at this point. The only question left was whether the committee was more inept than dishonest or the other way around. Corbally seemed to suggest a touch of the former when, on the heels of the Morgan Stanley news, he set out to salvage a deal with Winthrop. Although not a real estate man himself, the foundation president arranged to sell the nineteen Manhattan office buildings for \$428 million (\$328 million of it in cash). It was, admittedly, an improvement of sorts and it saved face for the board in the wake of the Morgan Stanley debacle. But for First Winthrop, it became one of the largest real estate syndications in history. According to *Forbes*, the company took just three months to syndicate the property and turn its \$428 million investment into \$760 million. Had the sale been more skillfully engineered, it is fair to say, at least some of the additional \$332 million might have wound up in the foundation's coffers. Among those purchasing limited partnership shelters in the Winthrop syndication of the MacArthur properties were Woody Allen; Senator John Heinz 3d; Red Auerbach; Donald Kendall, chair of Pepsico; Ernest Borgnine; Lily Tomlin; George Lucas; and America's oldest teen-ager, Dick Clark.

The Bankers Life insurance operation was finally disposed of late in 1984, in a \$382 million sale to I.C.H. Corporation of Louisville, Kentucky. I.C.H.'s offer, too, was highly leveraged and nearly fell through when California and Illinois insurance regulators, worried that I.C.H. was top-heavy with debt and inflated with paper assets, moved to block the sale. The deal was permitted, though, and in one of its first official acts, the new Bankers Life management fired Ewing. In January 1985, the foundation sold ten residential properties in the New York metropolitan area to a joint venture formed by the Mendik Organization and M.J. Raynes, president of M.J. Raynes Inc., both of New York. At \$500 million, it was the largest residential transaction ever made in the region.

The irony of the real estate transaction with Winthrop, of course, was that the I.R.S. divestiture requirement didn't affect land; there was no rush to sell real estate. Meanwhile, the active business holdings, which absolutely had to be sold before the deadline, weren't. All in all, it was a neat piece of work. Without the act of Congress it was angling for, the foundation would owe the government \$75 million as a penalty for failing to divest in time. And its problems were just beginning.

Concluded next week ☐

## THE N.L.R.B.'S RIGHT TURN

# No Friends in Labor's Court

STEPHEN F. DIAMOND

**R**eagan appointees to the National Labor Relations Board, the central institution in this country's collective bargaining system, are destroying the protections won through decades of trade union effort. There are five people on the board at any given time, but because of resignations, President Reagan has appointed six since coming to office.

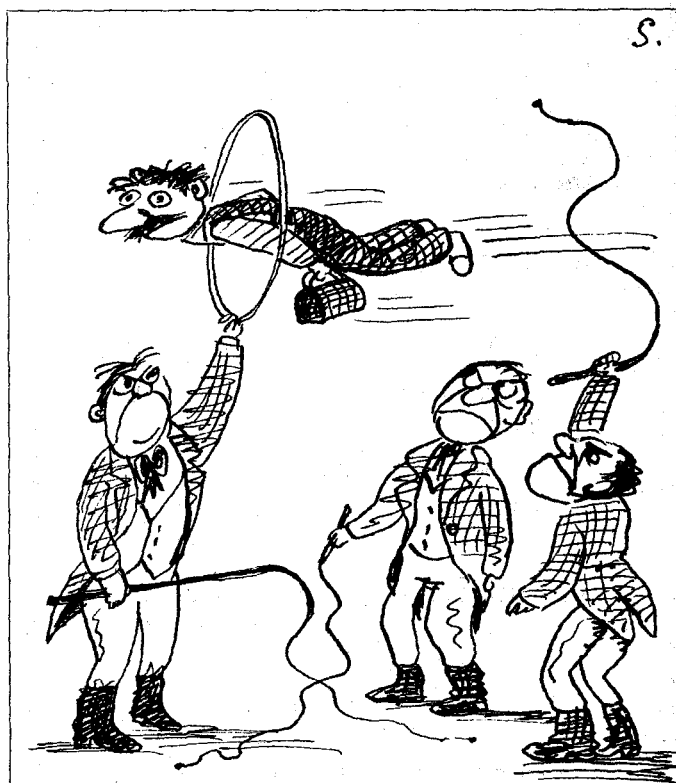
Most of Reagan's choices have pro-management credentials and ideology. The chair, Donald Dotson, was an N.L.R.B. staff attorney during the Nixon years. He moved on to Western Electric, Westinghouse and the Wheeling-Pittsburgh Steel Corporation. He has gained a reputation on the board for aggressively advocating a "free market" approach to labor relations. Marshall Babson, one of two Democrats on the board, once spent two years with an infamous San Francisco unionbusting firm, Littler, Mendelson, Fastiff and Tichy. Board member Robert Hunter, who resigned in August, had served four years on the staff of Republican Senator Orrin Hatch, who has a reputation for being unfriendly to unions. He was replaced by James M. Stephens, another Republican, who has served as labor counsel to the Senate Committee on Labor and Human Resources since 1981. Wilford Johansen was appointed to the N.L.R.B. staff under Eisenhower in 1959 and promoted to the board by Reagan. Lane Kirkland, president of the A.F.L.-C.I.O., views him as a "competent and conscientious civil servant," but he came under fire from some unionists during his term as general counsel of the board last year.

Some in the labor movement erroneously placed their hopes in Patricia Diaz Dennis, the other Democrat on the board, but her background is as solidly pro-management as that of her colleagues. She has served on the legal staffs of the American Broadcasting Company and the Pacific Lighting Corporation. She spent three years with Paul, Hastings, Janofsky and Walker, a major corporate law firm in Los Angeles. Dennis told me that she advocates "individual" rights against those of the "institutions" of labor and management.

The board has been busy overturning decisions that, in Dotson's words, establish collective bargaining as a "labor monopoly," which leads to "the destruction of individual freedom and the destruction of the marketplace as the mechanism for determining the value of labor." The

board's definition of "individual freedom" is an odd one, however, as two 1984 cases illustrate. In *Sears, Roebuck and Co.*, overruling an earlier board's decision, the majority denied unorganized individual workers the right to a representative in disciplinary meetings with the boss. In *Meyers Industries, Inc.*, Dotson, Hunter and Dennis overturned a 1975 decision by upholding the firing of a truck driver who had complained about an unsafe truck. In the past, individual employees' complaints about health and safety issues that affected other workers were considered protected under the National Labor Relations Act, which empowers the N.L.R.B. This time, however, the board held that "individual employee concern, even if openly manifested by several employees on an individual basis, is not sufficient evidence to prove concert of action." [Emphasis in the original.]

In a series of decisions on plant closings, bankruptcy and runaway shops, the board removed several barriers to employer relocation in nonunion, low-wage areas. Dotson, Hunter and Dennis also held sway in the *Milwaukee Spring Division of Illinois Coil Spring Company* ruling, in January 1984, allowing a company to open a nonunion facility without the consent of the union. Four months later, in *Otis Elevator Co.*, the same trio held that a company's plan to relocate to a nonunion facility was not a mandatory subject of bargaining. That decision reversed a 1981 ruling affecting the same union and company. Also last year, the Supreme Court sustained a board ruling, in *N.L.R.B. v. Bildisco & Bildisco*, that a company can void its union contract if it files for bankruptcy. Although the Bankruptcy Act of 1984 has restricted the scope of that decision, it has not prevented major companies from ignoring union contracts: in July, Dotson's former employer, the Wheeling-Pittsburgh Steel



Stephen F. Diamond is a labor educator in the San Francisco Bay area. He is a member of the American Federation of State, County and Municipal Employees, District Council 10.

Corporation, which sought to break an existing contract with the United Steelworkers, was allowed to do so by a Federal bankruptcy court.

Finally, in the crucial area of union organizing, the board decided that an employer may lawfully interrogate employees about a campaign in progress. With the May ruling in *Rossmore House*, it overturned a series of N.L.R.B. actions from the past decade that protected the right to organize. The decisions in all these cases have a common theme: tame the unions and stifle organizing drives.

The labor movement objected to the way the N.L.R.B. functioned even before Reagan stacked the deck. In 1977 and 1978, the A.F.L.-C.I.O. pushed for reforms that would have streamlined board procedures and speeded up its decision-making process. The Carter Administration's price for supporting the bill was labor's abandonment of its longstanding demands for the repeal of restrictions on the union shop in Section 14(b) of the Taft-Hartley Act and for the legalization of secondary boycotts. Even then, with a Democrat-controlled Congress, the measure passed only the House and died in a filibuster in the Senate.

Today some labor leaders are calling for a repeal of the National Labor Relations Act. In the words of Lane Kirkland, the board has become "an obstacle to organization, to the exercise by working people of their right to be represented by a union, free of reprisals." William Wynn, president of the United Food and Commercial Workers (U.F.C.W.), the labor federation's largest affiliate, has instructed his union's legal staff to find ways to circumvent the board.

In the past few years, several unions have taken their grievances to the public instead of the board. The U.F.C.W. recently joined with the Service Employees International Union to tackle Beverly Enterprises, a national chain of nursing homes. Before the organizing campaign had even begun, the U.F.C.W.'s head of organizing, Douglas Dority, said, the unions "had uncovered a record on patient care that would cause the company much more difficulty than hundreds of unfair labor practice cases before the N.L.R.B." The two unions actively publicized examples of poor care in the company's facilities.

It is true that the N.L.R.B. has served, as Nelson Lichtenstein wrote in *Labor's War at Home*, "to channel worker protest into predictable patterns under a system of state regulation." Labor leaders played a role in that development. In the 1950s they availed themselves of the board's arbitration and conciliation machinery in an effort to avoid conflict. At the same time, trade union bureaucracy grew at the expense of internal democracy, and whole sectors of the economy—particularly those employing women and minorities—went unorganized. The Reagan takeover of the board, according to Stanford University law professor William Gould, "simply accelerated a downward trend already under way"

and is not by itself responsible for the labor movement's current decline.

But the board is too important to be handed over to the Reaganites. Why not flood its Washington headquarters and regional offices with unfair-practice charges? This effort should be combined with a positive campaign for what could be called a workers' bill of rights to establish decent wages, hours and working conditions for union and non-union workers alike. Such activity would put the labor movement on the offensive against the current board's free-market ideology. □

## ■ OF GUNS AND PUBLIC TRANSPORT

# Why We Can't Build Subway Cars

DAVID MORSE

**T**he new R-62 stainless steel subway cars, a welcome sight to New York City riders, are as conspicuous on the factory floor at the Kawasaki Heavy Industries plant in Kobe, Japan, as they are on the tracks. Left unpainted as a deterrent to graffiti scrawlers, they stand out from the gaily colored light-rail transit vehicles destined for Argentina, Singapore and other countries. And compared with the sleek designs surrounding them, the R-62s, which weigh forty tons each, look stodgy.

Shozo Shimoura, general manager of Kawasaki's rolling stock division, who showed me around the works on a recent visit, pointed out the R-62's stainless steel sheathing, its molybdenum-coated steel interior walls and porcelain-steel ceiling—all designed to resist spray paint and the dyes of felt-tip markers—and its windshields strong enough to deflect bullets and other projectiles. "We don't have these problems in Japan," he shrugged.

Deterioration of New York's eighty-one-year-old subway network, the largest system in the world, with 832 miles of track and billions of dollars in deferred maintenance, presented another design problem for the R-62. During his two-year stay in New York assessing subway conditions, Shimoura had seen for himself portions of track that were under water and rails more crooked than any he'd ever imagined. "We don't see track conditions like this in Japan," he said.

Because of the roughness of the roadbed, the New York City Transit Authority demands extraordinarily heavy undercarriages in its standard design. Indeed, when the Budd Company, the last remaining American producer of subway cars, insisted on lighter ones, it lost out on the R-62 contract to Kawasaki and to Bombardier, a large Canadian manufacturer of rolling stock. Unfortunately, besides adding to the

*David Morse is working on a book about the world steel industry. This article is being published simultaneously in the Tokyo daily Nihon Keizai Shimbun.*

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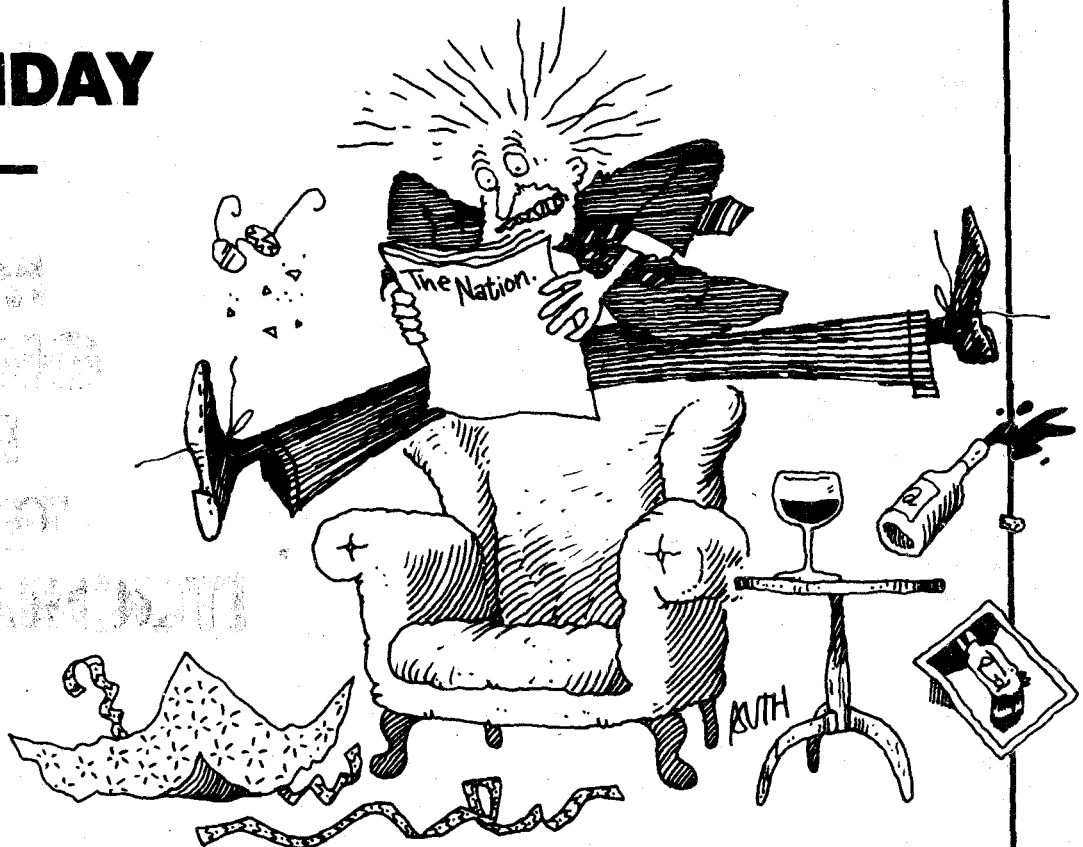
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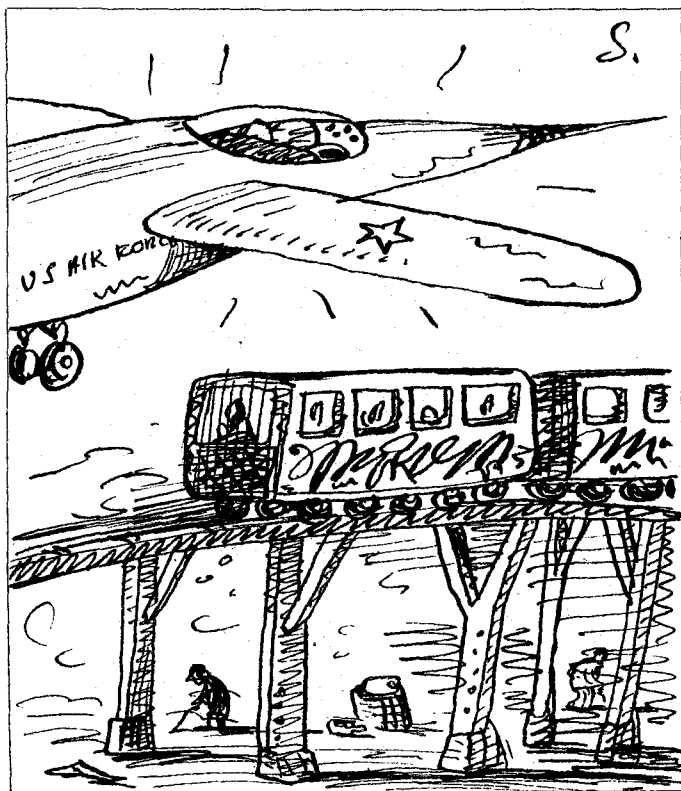
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cost of constructing the car and the energy required to run it, the extra weight increases the wear and tear on the track and thus exacerbates the deterioration of the roadbed.

Because the New York City subway system carries three-quarters of all the rapid-transit riders in the country, and its fleet of 6,152 cars is in constant need of replacements, it dwarfs all other buyers of subway cars. This has created a captive situation. According to Olaf Olsen, a railroad enthusiast who works for Amtrak, the U.S. railroad car-building industry collapsed "partly because of the depressing effect of the transit authority standard design on the entire industry, which sold most of its product to one buyer for decades."

The R-62 contract was a plum for Kawasaki, the largest of five Japanese train manufacturers. Faced with a slowdown in its motorcycle exports and a relatively fixed share of the Japanese train market, the company has sought to boost exports of its rolling stock. That may explain why Kawasaki was willing to produce an outmoded design unlikely to find customers elsewhere, but it doesn't explain how the Japanese company was able to beat out potential American entrants for business nearly 7,000 miles away.

Part of the answer lies in the use of sophisticated technology. Although the Budd Company's sprawling works in Philadelphia has a larger capacity, much of it is idled, the equipment obsolete. Kawasaki's Hyogo Works is much smaller, crowded into one corner of Kobe's harbor, but a walk through the plant reveals an extraordinarily efficient assembly line: semiautomated jigs used to handle large pieces of sheet metal, robots for welding frame-members, oversize dentists' drills suspended on jointed appendages that permit a single worker to bore holes with minimum exertion, vacuum tubes to whisk away metal shavings.



Most spectacular of all the innovations developed to meet the transit authority contract is a huge jig that permits an entire car to be rotated upside down. With the bottom exposed, workers can install wiring harnesses and air conditioning ducts at waist level, easily performing tasks that would otherwise involve backbreaking reaches overhead. Thus a job that used to take five days now takes only one.

It is not my intention to sing a paean to Japanese resourcefulness or to broach the complexities of international trade. But my own observation of heavy industry in Japan and the United States left me with the powerful impression that Japan's emphasis on civilian goods brings to its private industrial sector a measure of health denied to our own.

Both the New York City Transit Authority and the Pentagon have sufficient dominance to compel suppliers to meet their specifications. That is because they pay inflated prices that, whatever the charade of competitive bidding, have little relation to production costs. Pricing is "cost-plus," and gold plating is rampant. The M-1 tank and the R-62 are sold to a captive market, and the supplier in turn becomes in some measure captive because it has only one buyer.

It's little wonder, then, that Boeing, General Dynamics, Rockwell International and the Grumman Corporation—to name some of the most obvious contenders—have proved unable or unwilling to compete successfully with Japanese and French manufacturers for the civilian market in light-rail transit vehicles. The lush Pentagon contracts that keep those companies alive make them unfit to compete in the civilian market.

With America spending seven times as much on defense as Japan, as a percentage of the gross national product, U.S. heavy industry has become dangerously dependent on the Pentagon. When Grumman, whose government aerospace business accounts for 81 percent of its sales, attempted to build buses for the civilian market, its defective Flexible bus brought ridicule on the company. Rockwell and Pullman became embroiled in a legal donnybrook of suits and countersuits in the wake of revelations of cracked undercarriages and other flaws in the subway cars they built for New York City. When Pullman ceased production, no U.S. firm rushed to fill the vacuum, even though General Dynamics was laying off workers. And when Atlanta and Houston looked around for suppliers for light-rail transit vehicles, it wasn't the Budd Company that scrambled to fill the orders; it was the Japanese, not only Kawasaki but the smaller train-manufacturers as well.

Finally, in an economy as heavily militarized as America's, the subway debacle illustrates the fierce competition for dollars between the military and the civilian sectors and the resulting shortage of funds that could be used to refurbish the civilian infrastructure. A minimum of \$10 billion is needed to repair the New York City subway system alone, and throughout the country some 250,000 bridges need replacement or repair. Japan has its own pressing social agenda—economic justice for women and employees of small companies, as well as adequate housing. In responding to current U.S. pressures to militarize their economy, the Japanese should consider the source. □

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## K.A.L. 007: What the U.S. Knew And When We Knew It

Published on the eve of the first anniversary of the downing of Korean Air Lines Flight 007, this issue raises serious questions about the U.S. role in the tragedy. After a year of thorough research, author David Pearson concludes that U.S. authorities at the highest level knew the airliner was off course much earlier than they have admitted, and that the questions raised by the official versions of the story can only be resolved by a Congressional inquiry.

## K.A.L. 007: Unanswered Questions

The August 17/24, 1985, issue brings our 1984 report up to date. With contributions by David Pearson, John Keppel and David Corn, it is the culmination of an intensive investigation. The authors analyze new Japanese radar data, discuss a Nation Institute-sponsored review, by aviation experts, of the final airline transmission and describe the government's efforts to obstruct investigation.

## The Strange Correspondence of Morris Ernst & John Edgar Hoover, 1939-1964

Harrison E. Salisbury, the award-winning journalist, details how the director of the F.B.I. exploited and debased the confidence of a leading civil libertarian, and in so doing seriously compromised the A.C.L.U. Salisbury draws on some 300 exchanges to document the extent to which the machinations of the "top constable" profaned the democratic process.

## Latin America: A Political Guide

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## El Salvador

A compilation of *Nation* articles on Central America and El Salvador, including an early debunking of the famed "White Paper" by James Petras.

## A Letter to America

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Under what conditions, if any, is military (or other) intervention ever justified? An entire issue of *The Nation* on the subject of intervention contains the papers presented at a Conference on Intervention, co-sponsored by *The Nation* and the Columbia University School of International Affairs.

## The Campaign to Smear the Nuclear Freeze Movement

Frank Donner offers a provocative analysis and thorough documentation of the outrageous attempts by right wingers in media, Congress and the Administration to discredit the nuclear freeze movement, charging that it is inspired and manipulated by the Soviet Union.

## Nuclear Samizdat

What do Russians think about the nuclear arms race? Two prominent Marxist dissidents, historian Roy A. Medvedev and biologist Zhores A. Medvedev, provide the unofficial viewpoint with a clarity rarely found in the American press.

## Disarmament: Covering the Unthinkable

In this special issue Richard Pollak takes a critical look at the media coverage of the indisputably most important issue facing mankind; Michael Kazin gives a brief history of the birth of the freeze movement; and David Corn presents a useful directory of organizations working on the disarmament issue.

## Fifteen Years of the Burger Court

Herman Schwartz and his cadre of twelve leading lawyers and scholars put together an invaluable assessment of the Burger Court. Leaving no stone unturned, the authors scrutinize the last fifteen years of "intense judicial activism" in a thought-provoking manner. No lawyer, student of the courts or concerned citizen should be without this issue.

## Empire as a Way of Life

William Appleman Williams' brilliant analysis of America's life with an empire—and the implications of life without one—was the focus of this special issue that was distributed to the delegates at the 1980 Democratic National Convention.

## Myths of the Middle East

This special issue of *The Nation* is devoted to breaking the logomachy jam in the Israeli-Palestinian conflict by subjecting the emotion-sodden rhetoric that weighs down current thinking to a blast of fresh ideas.

## Many Bhopals: Technology Out of Control

Robert Engler reveals that the dangerous dependence on pesticides and the movement away from people-intensive agriculture results from corporate profit-making strategies. In addition, he shows that the Bhopal disaster is one of countless poisonings occurring each year, here and in the Third World, under an irresponsible scientific-corporate elite.

## Beyond Westmoreland:

### The Right's Attack on the Press

How does the Westmoreland case fit into the New Right's strategy to curtail the independence of the press? Walter Schneir and Miriam Schneir answer this question and provide an overview of the New Right's campaign against the media.

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## BOOKS &amp; THE ARTS.

## Esprit de Corps

FRANK PAGE

On the Friday before my vacation ended, Jonathan Margin called me in the country to say that he had been replaced as editor of *Belles Lettres*, the literary weekly of which I was assistant editor.

"By whom?" I said.

"I will tell you this, he is a Protean careerist." Protean Publications was *Belles Lettres*'s parent company. "I will also tell you that he has been the editor of more Protean magazines than any one else."

"You're kidding!"

"I am not kidding," Mr. Margin said.

"What does he know about books?"

"My dear Frank, he has a quality far more valuable."

"You're not going to tell me he knows about human nature?"

"Not at all. He's *disagreeable*. Colleagues pull their chairs away, look at their laps when he talks, excuse themselves if he goes on too long. Tool, of course, is transfixed by him." Mary Tooling, known familiarly as Tool, was the wife of the publisher, Cyrus Tooling Jr. She had a special interest in the company's cultural magazines.

"Because she's like him?"

"No, no, my dear boy. A corporation doesn't turn up someone so repellent every day. He gets *rid* of people."

It was true. Newbold Press had been hired away from the Rupert Murdoch organization two years before and been moved around from magazine to magazine as a hit man. When Protean forced out the editor of *Vin*—"the magazine devoted to that spherical miracle known as the grape"—Press was given the job and in three months had got rid of a third of the staff, replacing it with cheaper, livelier help. He did the same thing for *Moi*—"the magazine for the one person you care most about, You!" In fact when he was reworking *Moi*! the staff began rhyming it with *oi*. Soon after, it was announced that Newbold Press would be editor of *Esprit*—"the magazine that celebrates courage wherever it is found, in man or beast." Instantly and unanimously the staff threatened to quit. *Time* and *Newsweek* picked up the story, and Press was with-

drawn into the corporate hierarchy, apparently temporarily.

"Can't we do an *Esprit*?" I said.

"I'm afraid not. The whole thing has been accomplished with Hitlerian dispatch. Tool called me to her office the first thing yesterday morning. I was kept waiting—intentionally, it turned out—for one hour. The interview took ten minutes. The burden of her message was not that I would be replaced as editor of *Belles Lettres* but that I had been replaced. Newbold Press was, at that very moment, in my—that is, his—office addressing the staff on the new, bold order of things. Tool suggested that I not appear in the office until after the weekend, late Monday afternoon, to be exact, when there will be a party to celebrate Press's appointment as editor of *Belles Lettres* and my appointment as staff columnist."

"Staff columnist!"

"Didn't you know that it is every editor's dream to be pensioned off with a column? No more administrative detail, no more complaints from readers and advertisers. No more staff problems. No more babies and breakdowns. Just a little reading and writing and drawing one's check."

"How upset are you?"

"I don't know yet, Frank. I suppose I had been expecting it."

"What kind of column?"

"About *books*. What do you think of that for a startling idea? Tool wanted to call it 'The Literary Game.' I said literature was not a game and suggested, ironically, 'Causeries du lundi.' She agreed, and I thought, why not?"

"But the magazine doesn't come out on Monday."

"We'll be jumping the date. That's good journalism."

"I still don't know why we can't do an *Esprit*."

"Press has already interviewed the staff, one by one, licking one half and biting the other. Virginia, for instance,"—Virginia Wrappers was the senior staff member—"he asked her what she actually *did* at *Belles Lettres*. She told me on the phone that when she tried to enumerate her duties her mind went blank. Press kept making remarks like 'but you must do *something*, Virginia. There are eight hours in a work-

ing day. *Think!*' She would say things like 'I check the captions, I've checked the captions for twenty years.' 'But that takes five minutes, Virginia. How about the rest of the day? Why don't you just go back to your desk and write up a list of the things you do. Take as much time as you need.' She said she hadn't slept all night. So the staff has been divided into those who shall live and those who shall die. The former, I'm afraid, would not wholeheartedly join a protest, and the latter would have their resignations accepted gladly. Press has done a good job. Of course, it's his specialty."

"Where do I fit in, do you think?"

"He needs you. Tool told me herself. And may I make a suggestion, Frank?"

"Of course."

"Stick it out. He won't last. He's an ignoramus and a vulgarian. The book industry will put pressure on the Toolings to get rid of him. In fact, I don't think he's meant to be there very long. Just long enough to encourage the others, keep up with the times."

"Why should I stick around for that?"

"To protect what's left of the staff, Frank."

And I could, actually. If I gave Press the kind of help he needed I would certainly have some say about the staff. "Can I help you, do you think?" I said.

"Thank you, Frank, but I won't need help. When a corporation has humiliated one of its own, it tends to let him be. It's not that the corporation has a heart, it's that it feels it has implanted a yeasty little lump of self-hatred that will grow and eventually turn the fellow into a crank, at which point everyone will understand why the fellow had to be humiliated in the first place."

"Have they done that to you?"

"We don't know yet, do we?"

"I think I'll stick around," I said.

At my first meeting with Press, in his office on the following Monday morning, he was dressed in prefaded jeans and a designer denim work shirt. Despite the heels on his burnished boots he was remarkably short; he was also quite plump, with downy pink cheeks. He spoke in a high-pitched quacking way and to fill silences rapped his enormous pipe on an ashtray. For the same purpose he coughed and cleared his throat beyond mucous need and made comic noises like "he-haw" and "hoo-ha."

When not making sound, he filled space with body movement, particularly rubbing his breasts and raising his arms to expose dark patches in the pits. During the interview he stood, walked about a number of times and lifted his crotch in the spirit of camaraderie or menace.

What he said was more or less what I had expected, except that I was surprised at his grasp of the characteristics of individual staff members. I also was surprised that he assumed that I would be on his side. One remark midway perhaps explains it: "You and I are young, Frank. Protean is middle-aged. The Toolings want me to keep it from getting old. I want you to help me."

When I didn't fill the pause he had offered he said, "Do you want to help me?"

"I want to help myself," I said.

Instantly he relaxed. "Ho-kay!" he said, pulled his nose, pinkied his ear, and his plans poured forth. "So let's get down to the meat. Ellie Bellyband doesn't know the way to the bathroom. What can we do with her? . . . I'm asking you."

"Let me think about it," I said.

"Ho-kay! Ed Princeps should be working on scrolls, not books. Let's take his fifty grand and spread it between two Vassar girls."

I nodded.

"Ho-kay!" he said, glancing at his list. "I'm offering Virginia a buyout. Two years' salary on top of her pension."

"How does she feel about that?"

"She knows she's a pain in the ass and thinks she can hold us up. If she keeps on, she's going to find herself out with *nada*. Talk to her!" Press pointed at me in the way, I imagine, I should point at Virginia when I talked to her. "Will you do that?"

"I'll talk to her," I said.

"Ho-kay!" And he went on. Chuckle Faircopy, the eccentric who mainly wrote the headlines for *Belles Lettres*, had to go. "Oversee the headlines," Press said. "Keep rejecting them. Right before we close an issue write your own headlines. Three or four weeks, he'll leave." Lou Bodoni, the butch office manager, could stay, but she had to quit wearing sweat pants. "I'll take care of that," Press said. Ben Boards, the art director, could stay for now, "but Tool is putting more dough into *Belles Lettres*. We're not printing on toilet paper anymore. If Boards can keep up with the changes, he can stay.

But I don't want any more of those *Screw* graphics. About Margin, I understand that he's a friend of yours. Which is fine with me. If you want to take him over, edit his column, keep him happy, be my guest! As for Frank Page, we want to sweeten his pot. He just has to help us. Ho-kay?"

I nodded.

He sensed my reserve, because he then said, "Listen, my friend, I don't want to do this job alone. I want help. Who do *you* think should go?"

"Let me think about it," I said.

"Think about it now!"

"It's a serious business, getting rid of someone, serious for the person and serious for the magazine. You want my considered judgment, don't you?"

He looked at me carefully, and I could see that he thought there was a threat in my question, as if I might go to the Toolings and say that Newbold Press had forced me to be precipitate. He didn't say "Ho-kay!" He said, "O.K. After lunch. A name."

I phoned Mr. Margin to tell him what had happened. For one thing I thought he might be pleased that I would be handling his copy. He was. Also he was not surprised at anything that Press had said.

"How did he have so much information about the staff? You certainly didn't give it to him."

"There's something you should know, Frank," Mr. Margin said, and after a long pause: "There's an informer in the office. I say this with great reluctance. To inform, in my estimation, is worse . . ."

"I don't understand. Someone on the staff reports to . . . whom?"

"Tool. Now Press. This person tried to report to me. I told the person to take the information to a higher authority, which I believe the person did. I say this because on more than one occasion Tool knew things about the office she could only have got from an informer."

"Like what?"

"One day at a meeting I explained to the staff that if Tool did not like a certain essay I was planning to run on the cover I had another 'at the ready.' Those were my words. Tool did not like the essay, and when I told her I might have trouble filling the spot, she asked if I didn't have another 'at the ready.' Thereafter I barred this person from all sensitive meetings. You may be able to deduce from that who it is."

"I must say, I think you're being very virtuous about this, Mr. Margin. There are informers in every office."

He told me the person's name after making me promise never to reveal it and to use the information only to protect myself and the staff. I wasn't surprised. The person was a self-abaser and an obsessive grammarian, to the point of knowing not only right usage but dissenting opinions in the order of their authority. This person never expressed opinions of taste on anything of more consequence than mysteries but applied his pedantry with such doggedness that colleagues lost patience. I could see that informing was a way of playing a joke on the system in the system. It made the person feel better about working below capacity.

"So I guess I'll see you at the party this afternoon," I said.

"Do you think I should prepare a speech?"

"Why not, just in case?" I said.

After lunch I presented the informer's name to Newbold Press as my contribution to his hit list. He thanked me, thoughtfully, I thought.

The party began in the editor's office with the arrival of the Toolings, Mary and Cyrus Jr. Cyrus was a squat man with lumpy skin and lots of hair. Although he was heavy, he had a small voice, small hands and short arms, which he threw around people for the slightest reason, to commend a piece of work, acknowledge a clever remark, reward extravagant flattery or just out of bonhomie. As if pulling them close for a photograph, he gathered Press in one arm and Mr. Margin in the other.

"When I think of these two men," he said, beginning his speech, for which everyone quieted down, "I think how aptly my father named this company. Each of them is a Proteus, who, as we know, was a Greek god who could change his shape at will. Marge Margin I can only call a phenomenon. My father hired him fresh out of Harvard. First there was his stint on *Homme*, which, if I recall, we advertised as 'the magazine that knows where it goes.' Well, it went. The sixties had some ideas about magazines, along with everything else. But, without missing a beat, Marge went as deputy editor to *Chez Elle*, the only male on the staff. Now *that's* Protean!" He summoned laughs with a big smile. "And then *Belles Lettres*, which



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--Polish Solidarity leader Lech Walesa in a "Morning Edition" interview in Gdansk, Poland, with National Public Radio's European correspondent Neal Conan.

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--Beverly Sills, New York City Opera general director, in an interview on National Public Radio's "Morning Edition."

**"Drunk they (the Russians) defeated Napoleon. Drunk they beat Hitler. Drunk they could win against NATO."**

--Edward Luttwak, defense analyst and author of "The Pentagon and the Art of War," talking with National Public Radio's "Morning Edition" host Bob Edwards about Soviet military strength.

**"We are so different, and yet, we are all one."** *"I've never seen so many women, of so many different ages, colors, sizes and shapes, and I think it's amazing. We are so different, and yet, we are all one."*

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under Marge's editorship has become the premier literary magazine in the English language."

"Hear, hear!" said Chuckle Faircopy, who was on his third Scotch.

"What more can I say? And now he does still another turn. He's going public, which I truly believe will cover *Belles Lettres* and him with glory. I drink to Marge Margin, writer!"

With this, Cyrus Tooling released Mr. Margin from his grasp and after the polite applause turned to Newbold Press. "My other Proteus is a *Wunderkind*, barely out of his twenties. He has been with me only two years and has edited three magazines before his present assignment. We all know about play doctors—superprofessionals who after the ordinary professionals have done their best come in and sometimes in a matter of hours turn a play from a flop to a hit . . ."

"Sort of a surgeon," Chuckle said.

"Sometimes a surgeon, yes; sometimes a psychiatrist; sometimes a pediatrician if the patient is young . . ."

"What is *Belles Lettres*'s disease?" Chuckle said.

"I don't know that *Belles Lettres* has one," Cyrus Tooling said. "Perhaps an indisposition. Newbold, what would you say was *Belles Lettres*'s indisposition, assuming it has one?"

"At the moment," Press said, "loud-mouth complaint."

"I think," Cyrus Tooling said diplomatically, "we'd all like to hear from *Marge Margin*!"

Mr. Margin smiled into his drink, blinked, shook his head as in benign amusement at what he was about to say, sipped his drink, seemed about to speak, then went over to the conference table and turned off the tape recorder that the person he had identified as the informer had brought in to record the proceedings.

"Il est entièrement de circonstance," he said, "puisque je passe du rôle d'éditeur de *Belles Lettres* à celui d'écrivain, que je m'adresse à vous en français, d'autant plus que les plus importants de mes auditeurs publient des revues aussi gauloises que *Jardin, Théâtre, Mer et Terre, Moi!, J'accuse*. J'ai beaucoup entendu parler de Newbold Press et après l'avoir observé je souhaite vous donner à tous—du moins tous ceux qui restent—un conseil. Ce conseil est fait pour apporter une aide extérieure et intérieure, extérieure en vous aidant à rester accep-

table pour M. Press, intérieure en vous aidant à le rester à vos propres yeux. Faites avec lui comme s'il s'agissait d'un objet inanimé mais dangereux—un revolver chargé, une tronçonneuse, un morceau de viande pourrie. Quand il vous dit de faire quelque chose, faites-le immédiatement et sans discussion. La chose faite, annoncez-la lui. S'il vous demande votre opinion, donnez-la et soyez sincère, bien que cela puisse le troubler, puisqu'il recherche toujours les mobiles les plus bas. Ne montrez jamais la moindre émotion. Ce type a fait son chemin en observant les émotions des autres et en les utilisant comme un expert de judo qui retourne la force et le poids de son adversaire contre lui. Ne serait-ce que pour votre amour-propre, je dirais qu'il est inutile de flatter ce personnage. Il ne s'intéresse qu'à l'obéissance. Enfin j'ajouterais ceci: gardez vos injures pour les deux personnes qui ont livré à cette créature 'the premier literary magazine in the English language,' *Belles Lettres*!" Mr. Margin pronounced the name ringingly and lifted his glass.

"Bravo!" said Cyrus Tooling.

"Likewise!" said his wife. □

## ART.

ARTHUR C. DANTO

Henri de Toulouse-Lautrec

George Santayana, when he was a young philosopher, advanced the thesis that beauty is but pleasure objectified. Beauty, in this view, exists only in the beholder, as gratification caused by the forms and colors of things. But by some trick of psychology, the beholder is incapable of believing that there is no more to beauty than that, and spontaneously projects the pleasure outward, onto the things that cause it, henceforward treating it as one of their resident features. It is an ingenious theory, with an irresistible tang of paradox which insures that it will be disputed in esthetics seminars forever, though its author abandoned it almost immediately. Paradox or not, the forced conjunction of an inner state and an outer reality characterizes to perfection the heady atmosphere of Paris in the final decade of the nineteenth century, the Belle Epoque. Pleasure was palpable in the life of the boulevards, and it remains palpable in the depictions of that

life in the great graphic work of Henri de Toulouse-Lautrec, on massive display at the Museum of Modern Art until January 26.

One cannot enter the galleries that house the famous and familiar posters without feeling, almost as a physical presence, the dense effluvia of sensual pleasure they distill: champagne, absinthe and dubonnet, rice powder and patchouli, dancers in frilled drawers and black stockings executing the manic steps of the quadrille, sports and *boulevardiers* in frock coats and opera hats, white-aproned waiters rushing heavy trays of foie gras and oysters to debauchees, the abandoned cadences of drums and violins, tipsy girls and whirling couples of various sexes, racehorses and bareback riders—a brothel world of infinite ecstatic promise. The chemistry of Lautrec's spicy imagery confirms the celebrated discovery of Marcel Proust that an entire reality stands latent in even a dish of tea, ready to be unfurled to consciousness and memory. The posters, his masterpieces, after all participated in the reality they also represent, which is perhaps why they bring, along with its arabesque forms and chromatic dissonances, the sounds and smells and even some of the kinesthesia that defined that era. The harsh gaslight of dance halls or theaters seems to cast pools of decadent luminescence on the antiseptic floors of the museum's chill interior, a false but welcome warmth.

This was, after all, advertising art, plastered against the walls of *fin de siècle* Paris, on its kiosks or behind the bars in its brasseries and cafés, and was meant to arouse appetite and awaken desire. So even today, seeing the spectacular poster for the Moulin Rouge which brought Lautrec overnight celebrity in 1891, we want to go there, to see with our own eyes La Goulue flashing her magnificent behind, while her perfect partner, physiologically improbable, claps an appreciative rhythm. Even the lettering is seductive: "Moulin Rouge" repeated three times in the upper left corner, like a drum beat, in red letters against the pale, intoxicating chartreuse tint of watered pastis. The name is repeated once more, lower down, this time describing a sweet curve, almost dancing with La Goulue, whose complicated white underwear now forms the background. And just above that, in tinier letters, like a naughty whisper, "Tous les soirs" points to the V between her sexy legs.

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In the farther distance are silhouetted patrons in night-life headgear—toppers and feathered hats—forming a circle which curves forward to include us as part of its circumference. So we are, in a sense, half there already, inside and outside the picture at once. La Goulue dances her abandoned fling wherever the poster is shown. It obliterates, or at least makes ambiguous, the space between depicted viewers and real viewers. And the pleasure is made present in the art that objectifies it.

The poster is inherently an evanescent form, not intended to outlast the event that occasions it—an exhibition, a performance, an appearance, a fete. It is perfectly emblematic that the painter of pleasure, itself inherently evanescent, should have chosen for his most characteristic statements surfaces as fleeting as the sensations they advertised. It must have been a marvelous thing to awake one morning to iterated effigies of La Goulue all along the Boulevard Montmartre or the rue de Clichy, fresh from the bill-sticker, urging you to hasten to the Moulin Rouge, forming an escort. It is with Lautrec as with those short-lived species that spawn prodigiously and survive by sheer force of numbers. If one is going to work in ephemera, lithography is the medium of choice, facilitating vast editions with minimal degeneration of impression, and insuring that some exemplars have a chance of making it to the shores of the future. Posters, but also theater programs, menus, an-

nouncements of art shows, leaflets with various functions, album covers, throw-away entities all, have somehow defied their natural condition of gay brevity to be preserved for connoisseurs of graphic art in its highest embodiment. The line between high and commercial art, between utilitarian and contemplative art, is boisterously erased in the radiance of Lautrec's achievement. It democratizes hedonism.

There is an invitation which Lautrec designed for a famous party thrown in February 1895 by Alexandre Natanson, publisher of *La revue blanche*, summoning his wide and arty acquaintance to partake (the invitation is written in English) of "American and other drinks" at "8 h. ½." Lautrec was barman on that remembered evening, wearing the American flag for a waistcoat, and with his head shaved. According to the wonderful biography of the celebrated Misia Sert (whom Lautrec loved to draw) by Arthur Gold and Robert Fizdale, he "invented monstrous cocktails in layers of bright green, red, and yellow liquors." They extract this passage from a contemporary account:

Lautrec's imagination was inexhaustible. After a series of drinks which had to be swallowed in one gulp, there followed a gamut of pink cocktails, undreamt of concoctions which had to be sipped slowly through a straw. . . . He also compounded substantial cocktails of sardines in gin or port: he

would set these aflame in a long silver dish, and before long they would be scorching the throats of the unwary. . . . There were also prairie oysters, their palatability unimproved by cayenne pepper.

That evening Lautrec served 2,000 fiery drinks to three hundred crumpled guests, all of them on the Natansons' floor when the bar finally shut down. For me, this episode expresses his artistic personality totally: a witty concoctor, a demonic juxtapositioner. Gold and Fizdale speak of "the great colorist running amok at the bar." He ran amok, in just that way, over the immense stones on which he drew his images. Bright green, yellow, red: these were the colors of his world, migrating from the bright bodices of the Moulin Rouge to the cocktail glass to the lithographic stones to the brilliant sheets which would be pasted all across the city the next morning. He is present, as such, in each of his works.

Consider, once more, the Moulin Rouge poster, and our privileged view of La Goulue's behind. The shown bottom is universally recognized as a gesture of mildly obscene defiance: I once read that the women of Lagos lifted their skirts and aimed their aggregated behinds at the governmental palace as an unmistakable gesture of contempt. So he has lifted the dancer's skirt and placed her as he has in a spirit that must be seen as impudent and provocative, establishing an instant complicity between himself and us. The poster is a cocktail of sly signals, and ripples with suppressed laughter. The lettering, like regimented balloons, goes with the comic topknot on La Goulue's head; with the foolish polka dots like clumsy bubbles across her blouse; and with the salient Adam's apple of her dancing partner, Valentin Le Desossé ("Valentin the Boneless"), a man so skinny as to verge on insubstantiality, allowing Lautrec to flatten him into a prancing shadow. In the *Divan Japonais* poster, he slices off the face and features of Yvette Guilbert, whose long gloves suffice to identify her, and puts us in the loge with Jane Avril, tapping her fan to the music. In the drawing *Poor Street-walker!* of 1893, the client is reduced to a mere hand, leading the resigned woman, with her pathetic fur piece, out of the picture. In the lithograph based on that drawing, the hand is restored to its owner, but he loses his face and half his hat to the edge of the sheet. The cropped form, the poignant edge, the

#### MUSIC LESSONS

Tip-top on a bare tree  
overlooking the wintry  
supermarket parking lot  
a solitary bird  
pouring its heart out  
breast quivering

Curious about the English word  
for plain speaking wonderful  
yet almost takes a miracle  
born of adversity  
or the kind of genius that I'm not  
to make it sing

How my music teacher  
with his sobbing violin  
tore his hair out at my every squawk  
and over my stupid head  
broke bow after hopeless bow  
begging me to make my cello talk

Edward Field

meaningful angle of vision, the improbable proportion, insinuate a language of commentary and observation between the image and us. To master the language is to learn what we are meant to feel and how we are meant to see the subject. He is manipulating it for himself and for us, and we are always conscious of him: he has made himself invisible to the subject in order to make the subject visible to us.

This is particularly the case with his pictures of prostitutes. He is known to have lived for various periods in whorehouses, something I suppose easily arranged with the infinitely accommodating madams of those establishments, prepared to cater to stranger preferences on the part of their moneyed clientele. As a fellow tenant, he became at last so familiar to the women that they paid him as little attention as they would a maid, or a pet, or a lover they had come to take for granted. Before Lautrec's gaze they were, simply, themselves. He represents them in unguarded moments, when they are vulnerable and unbuttoned, bending awkwardly over a tub, or unfastening a corset, or vacantly combing their hair, or sleeping deeply with their undefended breasts exposed, or gazing into a mirror wondering how to restore enough of their looks to turn the next sou, or lying, exhausted and used, after having turned the last one. I love the painting, not shown here, of the salon on the rue des Moulins, where the women are chastely deployed on hassocks and ottomans in the garments of their trade, facing the implied entrance, awaiting custom. "They loll about on sofas like animals," he once commented, but it was a kindly, affectionate remark, for he adored animals and adored drawing them, and the women have the inextinguishable and hopeful patience of dogs. In one of the prints a stately proprietress, wearing a look of great wisdom and acceptance, carries breakfast things from the bedside of a young girl, clearly now the star of the establishment, who grins wickedly past her at the artist. In another print the same two women face one another across the length of the bed, like two stages of the same woman facing herself across the waste of years. It would have been simple for Lautrec, who had a caricaturist's malice, to make the heavy woman look ridiculous or hateful. So we are aware of the restraint, and hence of his humanity and compassion.

But sometimes he lets an expression stand which it would have been merciful to alter. In an 1891 painting on cardboard La Goulue is shown in the Moulin Rouge, supported on either side by a woman friend. Her bodice is disheveled, and she wears a look of dissolute stupidity. Her eyes are crossed, her mouth sour. She is perhaps too drunk to see the artist facing her. In showing us La Goulue with her defenses down, he is not showing us a defenseless woman, as in the feminine intimacy of the whorehouse pictures, which are so movingly

tender. "Look at her!" the artist seems to say. Lautrec is always pointing things out to us, for our amusement or edification.

Lautrec constructed his compositions as he built his cocktails. He counted on different viscosities, in the latter case, to keep colors from bleeding into one another, and on some corresponding chemistry of optical display to allow the undiluted intensity of colored planes to work together. He functioned like a sort of prism, refracting pure hues out of the chromatic jumble that meets the eye.

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The oil sketch *The Englishman at the Moulin Rouge*, of 1892, shows the subject in full-dress regalia, his florid complexion set off by the poisonous green behind his head, his frock coat made up of blue-green strokes in the manner of late Impressionism, his red lower lip protruding so aggressively that the red-haired cocotte seems to be recoiling from it. The entire atmosphere is of flickering lights, artificial and cruel, and of a certain boozy vagueness. In the lithograph of the same year for which this vibrant painting was a study, there are more severe separations and reductions. The Englishman is now an undifferentiated plane of mauve, like a fragment of Tiffany glass. The wall of the dance hall has become a plane of chrome yellow, like another such fragment. The image has the bold reductiveness of stained glass; and while there can be little doubt that the procedure echoes the separation of colors required by lithography—one color per stone, more or less—Lautrec may have taken a step, in treating the subject as so many planes of color, in the direction of what became Cubism. When Cézanne said, abruptly, in regard to the relative merits of Lautrec and Degas, "I prefer Lautrec," it was because he saw in this artist an enterprise of formal analysis kindred to his own.

Of all the modalities of pleasure objectified in this exhibition, none is greater than the intense pleasure the artist took in his own extraordinary powers, in the unparalleled gifts of reflex and grace his aristocratic forebears discharged in the form of sword-play. He combined an unsurpassed draftsmanly touch with a perhaps unique visual understanding. Lautrec knew how to show anything from any angle; he had a gift for perspectival transposition analogous to a musician's gift for transposing melodies from key to key. It is as though he could rotate a scene in his mind's eye until just the angle he required turned up—and then draw it from memory. After all, as he stood over a stone, the scene he meant to depict was far away or vanished. There is a famous set of drawings he did in 1899, in a sanitarium, to demonstrate that he was in control of himself and compos mentis: thirty scenes of circuses, with rearing horses and poised riders, animal tamers and acrobats, all made as an exercise in perfect visual recall. He simply knew how things had to look, from above or below, in order

to be convincing, and though we too may have that competence, since we are visually convinced, no one else has had the power of drawing with the certainty and courage that is his signature. Beyond that there is the immediacy with which he swept an image onto the surface of the stone and, after having laid down his initial statement, found a way to fit the rest of the scene around it, cropping ruthlessly, condensing severely, augmenting in that manner the energies of the central figure. In one poster, the entertainer Caudieux fills a space too small for his flailing limbs, forcing all his energy back from the edges of the sheet. My favorite work is a poster of 1896 showing the troupe of Mlle. Eglantine: four dancing women in superb hats, five and a quarter purple legs sticking out of a cascading sweep of petticoats as urgent as the great *Wave* of Hokusai. Alongside Lautrec, every artist looks static. There is more energy in a square inch of his drawings than in any six square blocks in Soho.

Of course he was tethered to an inadequate body: dwarfed, ailing, alcoholic, syphilitic, homely, drooling. He lived through breakdown, the collapse of his powers, and he met an early death. Anyone who feels that is the whole story is blind to the wit, the good nature, the motor ecstasy of the work. The world of the happy man and the world of the sad man are not alike, Wittgenstein remarked. This is the world of the happy man. The show is pleasure, objectified. □

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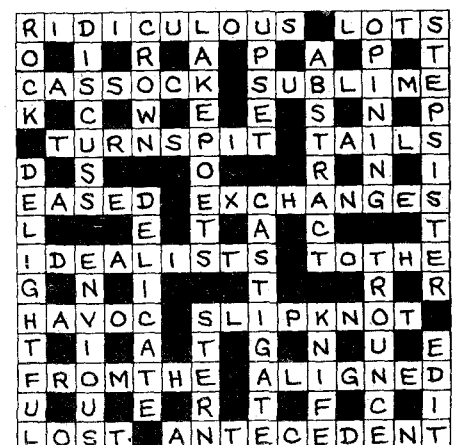
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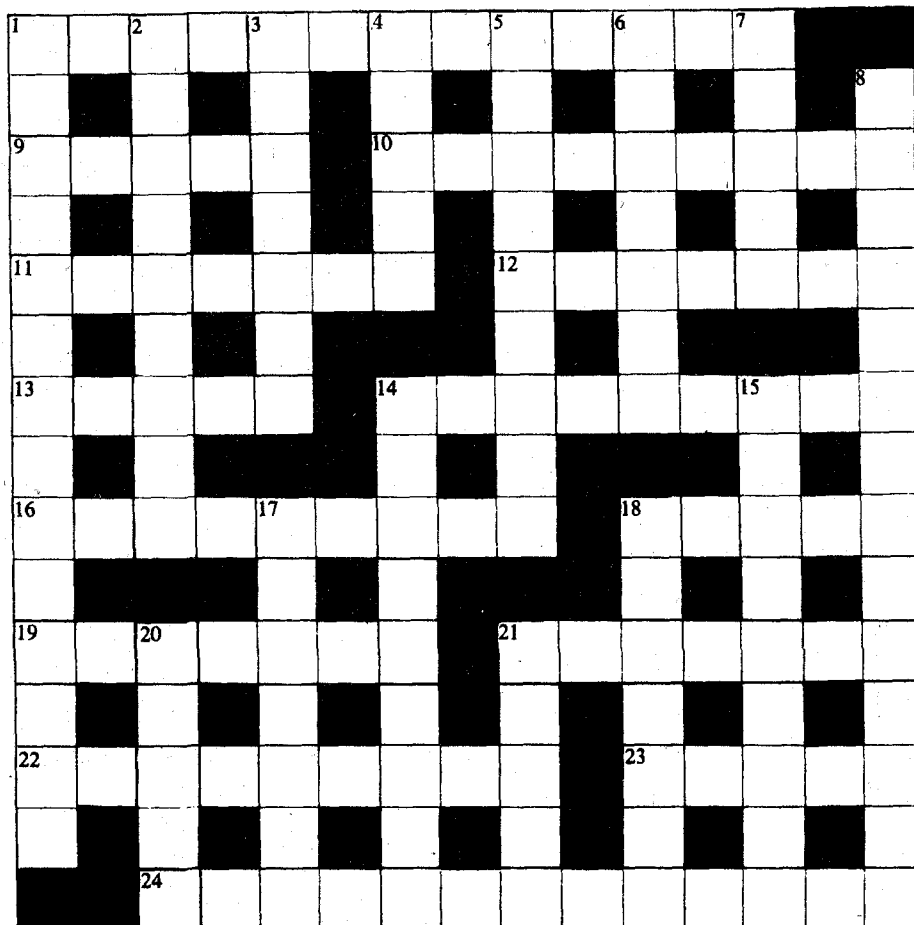
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## SOLUTION TO PUZZLE NO. 2081



# Crossword Puzzle No. 2082

FRANK W. LEWIS



## ACROSS

- 1 See 1 down
- 9 A chief meaning for "full speed ahead?" (5)
- 10 and 23 Use your index, possibly, with a bunch of lions implying you have something to crow about. (5,4,5)
- 11 They might hold breakfast food. (3,4)
- 12 Soft-headed, but possibly turned out to be rather sensible. (7)
- 13 The sort of death very much disliked. (5)
- 14 Born 1932, died 1945. (An air much disturbed by another name.) (9)
- 16 Foreign cattlemen find their home with cupid. (9)
- 18 It might involve a cast. (You might have to do it correctly with bees.) (5)
- 19 It might prove the end pays with difficult breathing. (7)
- 21 A drummer does with retreat, but so does everyone else! (5,2)
- 22 He wasted a lot of time on vain reflection. (9)
- 23 See 10
- 24 Where the students are used to cutting classes. (6,7)
- 4 Has aspirations, but makes a quick movement about one point. (5)
- 5 Press items from the floor of 24? (9)
- 6 Factually, it's a bad turn to get sort of hit around it. (2,5)
- 7 What they used to do with cattle in Red River. (5)
- 8 and 14 down Goodfellow's reflection implies all races are silly (4,5,5,7,2)
- 15 Watch, or the toe-tapper does it! (5,4)
- 17 The comparatively well-armed must necessarily be more reachable. (9)
- 18 The operator might be familiar with what's on top, with the Spanish. (7)
- 20 Not used regularly by the team to clean up. (5)
- 21 Thus, to a degree, it's fundamental. (5)

SEE LAST WEEK'S SOLUTION AT LEFT

## DOWN

- 1 and 1 across Implying one gets rotten results from saving a measure. (5,3,3,3,5,3,5)
- 2 This animal is almost yellowish-red, socially acceptable, but brown at the bottom. (9)
- 3 Inlaid sort of gun? (Not actively engaged.) (7)

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